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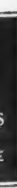
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W.B. CONKEY CO.

Printers, Binders and Book Manufacturers

HAMMOND INDIANA
BRANCH OFFICES IN CHICAGO & NEW YORK



Sales Management

AND ADVERTISERS' WEEKLY

Publication Office:
420 Lexington Ave.
New York. Phone
Lexington 1760

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Among the 150 Largest

Among the 150 Largest Magazine Advertisers, at least 491 executive subscribers will read this issue of SALES MANAGEMENT.

It is interesting to note that presidents of these companies — men who think in terms of advertising appropriations totalling many millions of dollars—are not overlooking this small investment of four dollars a year for themselves and for each of their executives.

Thus, they insure a steady stream of ideas penetrating down through their organizations. Just a detail, but one which may have far-reaching effect on the year's sales volume.

Special note to presidents: Perhaps your sales and advertising executives have the urge to clip special articles, to file for future reference. You can make this easy by entering separate subscriptions for them.



When the Postman Whistles

fair play to Roy

Editor, SALES MANAGEMENT: In the interest of fair play, I am asking you to print the following statement. I wish to apologize publicly to Mr. Roy Johnson for what I said about his recent contributions to the magazine. I have no excuses to offer. There is no valid excuse for calling a man names—especially if the victim cannot hit back.

There is, however, this explanation. My strictures were an unconsidered part of a letter to you in which I ordered a number of copies of your stimulating magazine for classroom use. I had no thought that my comments would go farther than the circulation department. They were struck off heedlessly, in a moment of irritation induced by reading one of the Johnson stories.

Mr. Johnson, of course, has a right to his theories, just as I have a perfect right to disagree with him. But I had no right to say anything that reflected on him personally. I cannot, conscientiously, retract my criticism of Mr. Johnson's thesis. I think the facts, many of them at least, on which he bases his contentions are erroneous or misinterpreted. I might refer particularly to his misuse of the fabulous "fourteen-year-old intelligence." What the mental testers mean by that tortured expression and what Mr. Johnson seems to mean are two different things. I think, too, that his inference as to the mental level of Americans based on the sale of certain titles among the E. Haldeman-Julius books is entirely illogical. Mr. Johnson should read E. Haldeman-Julius' "The First Hundred Million." And I find Mr. Johnson's style irritatingly academic and sesquipedalian. But I hope he understands that when I said he writes "like a college professor," I meant that his literary manner impresses me as being much like the style that I (a college professor myself) try, with little success, to avoid.

For the meaning of "overdefense mechanism," I refer Mr. Johnson to any recent psychology text, or to any college flapper.

But, I repeat, my disapproval of Mr. Johnson's writing should not have

led me into a display of bad temper. And I am more ashamed of myself because Mr. Johnson took my contumely with such fine sportsmanship. So far as this little affair is concerned, Mr. Johnson has shown himself "A better man than I, Gunga Din." I hope that I may meet Mr. Johnson in person some time and be able to tell him just how sincerely I regret my inconsiderateness.—*W. F. G. Thacher, University of Oregon, Eugene, Oregon.*

two subjects worth filing

Editor, SALES MANAGEMENT: The writer is very much interested in two subjects which have been and still are under discussion in your magazine. One of these subjects is "Three Hundred Compensation Plans for Salesmen—And How They Work." The Roy Johnson articles on advertising are also of interest to me. Will you kindly send me personal copies of all of these articles?

We receive one copy of SALES MANAGEMENT every week but the writer wants the above articles for his own personal files.—*J. S. Gleason, assistant sales manager, Kalman Steel Company, Wrigley Building, Chicago, Illinois.*

gain many ideas

Editor, SALES MANAGEMENT: We want to say that we enjoy SALES MANAGEMENT magazine immensely and gain therefrom many ideas that we can incorporate in our own sales organization. We believe it is a splendid medium for disseminating worthwhile sales information.—*R. D. Webster, sales manager, Webster & Southbridge Gas & Electric Company, Southbridge, Massachusetts.*

clipping each issue

Editor, SALES MANAGEMENT: Would you be able to furnish us with the complete set of articles which appeared on "Campaigns that Might be Launched in Industrial Markets?" We find SALES MANAGEMENT a source of ever-increasing interest from a standpoint of news and reference and have lately started clipping each issue systematically.—*C. A. Holcomb, Wolcott & Holcomb, Boston, Massachusetts.*

Sales Management

AND ADVERTISERS' WEEKLY

VOLUME SEVENTEEN, NUMBER TEN

NEW YORK, N. Y., MARCH 9, 1929

Fashion: An Accurate Forecast, Not a Gamble

BY MERLE HIGLEY

EVERY retailer and every manufacturer who wants to increase his business and his profits in this year and future years of grace knows he must sell "style.*" It's what women want. If they can't buy it in one store, they shop until they find it in another. And with equal facility and increasing style discrimination they purchase those brands of merchandise that "look, act and talk" fashion.

How can the manufacturer make his product "look, act and talk" style? How can he impress retailers with the fashion rightness of his merchandise? How can he impress the consumer with the fashion rightness of his product? These are the important problems facing manufacturers today; problems of selling, not problems of production. Merchandise can be made to meet the requirements of the woman customer. The problem is to learn what those demands are and perfect the product to satisfy them.

How an umbrella manufacturer made fashion work for him gives concrete answers to these questions. His product had an accepted reputation with retailers for quality of construction, type of rib, frame and material. He was unable to get new accounts or increase his sale to old accounts. Now the umbrella department of most re-

In spite of the fact that style and fashion in merchandise have commanded an enormous amount of discussion within recent months, manufacturers in many different lines are still groping about seeking a better understanding of this idea that is known to be exerting such a tremendous influence on sales. Here is an article by a fashion authority that will answer the query, "What's it all about?"

tail stores is notorious for its slow-moving merchandise, and infrequent "turns" with resulting low profits and little money available for department advertising. Rain is the only sales influence that gives this department a busy day.

This manufacturer did not blame the retailer for not selling more umbrellas, for not giving him more business, for not looking at his line and putting some numbers in his department. He sought new sales approaches.

He went to an advertising agency and told of the merchandising problems of the industry, the lack of prestige for his product, the stationary condition of his business. After listening to these details the advertising executive advised him that he was not ready for advertising. He told him that he must give his product style appeal, get distribution and then advertise. He sent him to a fashion expert to get her assistance.

The fashion counselor saw his line, learned of the quality of construction

and materials used, the time required to manufacture, the limitations. She made two important criticisms. The first was purely feminine, based on the size of a woman's hand in relation to the types of handles on the parasols and umbrellas which were too big, too short, too corrugated and bumpy for a woman's comfort or convenience. The second was a fashion criticism; colors that were drab and unrelated to the costume colors of the season. She pointed out that the umbrella is an accessory to the costume which serves as a background for it and with which its colors must harmonize or contrast perfectly to give it style and sales appeal for the well-groomed woman. Colors and patterns which were fashion-right for wear with that season's costume colors were selected. Handles in size for a woman's hand and right in type for the patterns and colors of silk were chosen. A name was devised for these parasols which had style-selling appeal. It was registered and appeared in unobtrusive form on every umbrella.

*The reader's attention is called to the use of "style" and "fashion" in this article. "Style" is a distinctive feature—such as style of writing, style of dressing, etc. Fashion is an accepted style. All fashions are "style" but not all styles are "fashion." Style does not change but fashion does.

The sample line was made up. The next step was to obtain publicity for it which would pave the way for the salesman with the merchandise man and the buyer. The fashion reasons for the different colors and types of umbrellas were explained to the fashion editor of a metropolitan newspaper; to the editor of the fashion column of a smart weekly magazine; to the fashion editors of trade magazines. Here was real fashion news. Much space was devoted to it, photographs and drawings of the merchandise appeared in both consumer and trade papers.

The trade story caption, "Fashion Appeal Intensified, in New Types Featuring Striped or Checked Silks. Special Attention Concentrated on Color Combinations to Harmonize with Costumes of Late Spring and Early Summer," aroused the interest of buyers who commented enthusiastically on the idea and merchandise when the salesman called. Duplicates of this publicity were given salesmen and mailed to buyers in advance of their calls. Buyers were urged to give copies to their salespeople, advertising copywriters and style bureaus so that they would know the fashion story and repeat it to the customer.

New Accounts with Best Stores

What was the result? New accounts opened with the best stores. Advertising and window displays featuring this new fashion in umbrellas. And new selling interest in umbrella departments. Salespeople had fashion news about umbrellas as accessories to the costume which gave them initiative and authority in urging the customer to purchase not one, but several umbrellas in different patterns and colors for wear with different costumes in her travel and resort wardrobe. The rainy day had ceased to be the sole sales influence. Fashion was selling umbrellas, different types for different occasions of the day; sport, street, formal; different colors for different costumes. Not one umbrella for every customer, but several umbrellas for every customer; colors to harmonize with her spring and summer wardrobe.

Fashion is not vague, foreign, elusive. It is not the invention of editors, fashion writers and stylists. They simply observe and report the habits, manners and doings of fashionable folk the world over, whose choices and uses of furniture, furs, motors, fabrics, frocks and accessories make them the mode or the fashion. Fashion is definite, concrete, understandable. One can learn about fashion. Fashion can be and is being taught to

manufacturers' salesmen, to retail store salespeople, to women consumers.

Manufacturers can understand fashion, use it and make it the powerful sales influence every business needs. Retailers are doing it. Manufacturers who expect to sell them will be obliged to learn the fashion game and play it with professional skill. Recently 188 important executives from the biggest and best retail stores from coast to coast spent five days in New York and paid an individual fee of \$200 attending the second Amos Farnish Fashion Clinic, for the sole purpose of learning what fashion is and how to use it in merchandising. Fifty-eight retail store executives attended the first one, held last August, evidence of the rapidly increasing recognition by retailers of the merchandising necessity for a sound and fundamental knowledge of fashion.

Fashion is fact, not fiction. Putting the label "Fashion" on a product, using the word in advertising without the merchandise to back it up will not get consumer business. The specious use of fashion in an attempt to get into the fashion game is a boomerang resulting in a loss of trade prestige and consumer acceptance. A concrete illustration of this occurred two or three years ago in connection with the advertising of a certain brand of hosiery. Although lavish and elaborate in its assertions of the fashion appeal of the merchandise, the campaign did not seem to be producing the results anticipated.

Didn't "Look" Fashion

An investigator called on important buyers in an attempt to obtain constructive criticisms and suggestions. They stated that frequently their salesgirls had customers who demanded this particular brand, but when the hosiery was shown them, expressed great disappointment. It did not "look" fashion. The advertising had created a false impression for the merchandise. And here is the boomerang. The salesgirl was unable to sell the merchandise on its merits, service and quality, which were unquestioned and established. Claiming fashion for a product which does not have it creates sales resistance.

The ensemble idea, a fashion rule observed for years by the continental woman of fashion, is being assiduously studied and applied by every American woman who reads fashion magazines and makes any effort to be well groomed. And this idea has spread to the field of home furnishing and motor car interiors. Quite simply it is a basic law of design. The pieces of



furniture in a room must be harmonious in proportion, shape and color with each other and with the proportions and design of the room itself; they must be related to each other, they must belong together. Similarly, the gown is the background of the picture; gloves, bags, shoes, etc., are accessories that must harmonize or contrast with it if the desired ensemble effect is to be achieved. Thus women must buy new accessories with each change in costume fashions; accessories which are fashion-right in color, shape and material.

What is the importance of this to manufacturers? It means they must learn what fashion possibilities the ensemble story affords their product for development. Understood and used authoritatively and aggressively in the making and marketing of a product, it is the vital force that increases sales. To accomplish this requires constant contact with authentic sources of fashion, here and abroad. A manufacturer of accessories said recently, "We want to be individual. We can be American style creators. (naming a silk manufac-



© Drucker & Bates

Recently 188 important executives from the biggest and best retail stores from coast to coast spent five days in New York and paid an individual fee of \$200 to attend the second Amos Farrish Fashion Clinic for the sole purpose of learning what fashion is and how to use it in merchandising. Can manufacturers afford to neglect something the retailers look upon as so important?

turer with pre-eminent style position) creates style. So can we."

This manufacturer does not understand that this American silk manufacturer achieves style leadership through constant contact with famous French fabric houses and couturiers. The success of the styles he offers each new season is due to his fashion shrewdness in adapting to American needs, climate and light conditions, those colors, patterns and weaves being sponsored by great French dress-makers and worn by the most fashionable women in the world whose appearances and costumes are chronicled in detail in the leading fashion magazines.

Readers of these magazines, the style leaders of America, recognize in this silk line those colors, patterns and weaves which are described in the pages of these magazines, "worn by Lady" or "seen at Patou's opening." So smart American women purchase these silks and wear them, establish-

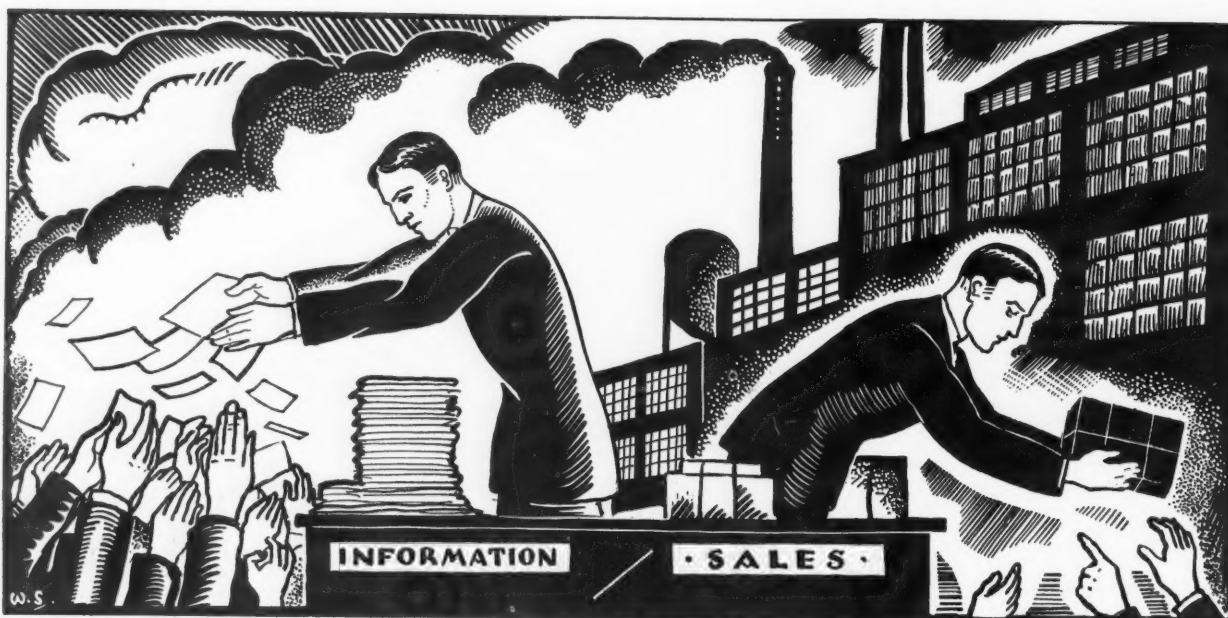
ing their fashion acceptance, thus giving this manufacturer the style prestige he enjoys. And his publicity and advertising are carefully watched and worded so that they constantly reflect the correct impression of this fashion authority in ideas, phrases and illustrations. This product "looks, acts, and talks" fashion.

If the manufacturer of accessories wants style prestige, if he wants fashion to work for him, he will style his line so it will meet the fashion requirements of the ensemble each new season. What those requirements will be, he can learn from fashion magazines which maintain free service bureaus to give advance fashion information and advice to manufacturers which will help them improve and promote the fashion qualities of their products. His product will have style leadership, fashion appeal and sales value, if it has the colors, materials, shapes, designs, pattern and types that fashion decrees for wear with the new

season's smart wardrobes. The fashionable woman will require it to complete her costume. She will repeat her purchases, tell her friends about it, be imitated by other admiring women and sales will increase because the merchandise is fashion-right.

The manufacturer must reach the consumer with fashion news and facts about his product which will induce her to buy it in preference to others. Just as fashion claims in advertising will not sell merchandise that does not "look fashion," so merchandise that "looks fashion" will not sell unless its story reaches the eyes and ears of the consumer through every direct and indirect channel of publicity; through national advertising, through direct mail, through newspapers, through movies, via radio, through every promotion department in the retail store, through women's organizations, schools and colleges.

If the manufacturer has been successful
(Continued on page 582)



Manufacturers are learning that an inquiry for literature and an inquiry for merchandise are different matters

Just Inquiries—or Inquiries That Yield Sales at a Profit?

BY ALLEN W. RUCKER

THE moment a business starts in to direct advertising it realizes what a wonderful possibility lies in store for it. And the second moment it begins to apprehend that, like all great forces, direct-mail is potent with evil as well as good.

The first material goes out to seek inquiries. It produces most handsomely. And the resultant sales are almost nothing. A manufacturer of surgical instruments sends out three inquiry-bringing letters to physicians and surgeons and the returns are respectively 16 per cent, 21 per cent and 18 per cent. Wonderful!

The resultant follow-up fails to close 1 per cent of the inquiries!

Simply because the inquiry-bringing letters brought requests for the literature, not for the merchandise to be sold.

It is time to arrive at a sound definition for "inquiries." Failure to make positive what is meant by an "inquiry" is beginning to put direct-mail into bad repute.

A bona fide inquiry is an inquiry that asks about the goods, prices, qualities, terms, etc. The average direct-mail inquiry simply requests booklet, catalog or Bulletin B. That is not an inquiry, to the business man, because the selling is yet to be done.

It will pay those in direct-mail advertising, letter specialists, printers,

Are direct mail advertisers chasing rainbows in their constant search for methods for increasing the percentage of returns on direct advertising, without giving due consideration to the quality of those inquiries? This writer recommends a "cost-accounting" of inquiries to discover their status.

counselors, and others; it will pay business to understand this. So I am going to discuss it, using some illustrations from experience.

The first case is that of a firm selling a machine designed to crush and sample coal for laboratory analysis. There are two ways to sample coal—by hand, and by machine. There are two classes of potential buyers—those who sample by hand and those who do not sample at all, i. e., depend upon the coal operators to ship coal of a high B. T. U. content. Which are in the majority, the non-samplers or the samplers?

If the non-samplers are in the majority, then the advertising has two ideas to sell—(a) the benefits and savings to be made by checking coal shipments by analysis, and (b) the advan-

tages of making analysis from samples secured automatically and mechanically instead of by hand. Until a coal-user is sold upon having a coal analysis, it is impossible to sell him a machine by which to make the analysis. If I do not smoke, it is obviously impossible to seek to sell me any brand of cigarette against some other brand.

Yet direct-mail advertisers by the hundreds are attempting to sell specialties in just that way. They start in by mailings designed to secure requests for booklets or catalog, and learn in the hard school of experience that an inquiry for the literature and an inquiry for the merchandise are quite different matters. They fail to determine in advance (a) whether their merchandise is convenience merchandise, shopping merchandise or

specialty merchandise. The idea to be sold in each instance is widely different from the other two.

The next mistake is the failure to determine what is the objective of the direct-mail. Are you seeking to find from a mass of potentials or possibilities those who are ready to buy, or, are you seeking to create from the possibilities new buyers?

Every market is divided into two classes—those who are now actually needing or using a similar product, and those who are not but perhaps could be persuaded to do so. Which class are you advertising to? It is important to know that. For your methods will vary if you are to succeed.

If I am seeking to build business for a custom tailor, I know that I do not have to sell the idea of being clothed; I know that sooner or later every man will and must come into the market.

On the other hand, if I am selling automatic selling machinery, a specialty, I know that few are sold hard on the idea of dispensing with human clerks and substituting Robots. That knowledge makes a great difference in the preparation of direct-mail.

The market for every product is divided into the existing demand and the potential demand. It will be noted that most real mail-order successes are built upon markets that exist, not that are yet to come into being. Few mail-order firms of any note attempt to enlarge the existing market. They are satisfied to get their share, and let the other fellow spend his money to enlarge the market.

Of those who attempt to widen the market, the failures outnumber the successes. I do not have the figures, but I suspect the ratio, if anything at all, is one success to nine failures. Perhaps it is higher.

It is not the existing market for merchandise that gives the direct-ad-

vertiser trouble; it is the potential market. For among these possibilities are a vast horde who are seeking information. They will send for booklets, for catalogs, for further information. They are responsive. Too often the direct-mail enthusiast writes to these people, perhaps because they are responsive.

But the appeals that will draw replies from them are not the appeals that will influence the real buyer. I have tested this time and again to my satisfaction. In a line of heavy machinery, we secured as high as 40 per cent replies from a list, but not one could we sell.

But when the tactics were reversed; when we sought only the man who was interested, the inquiries dropped to 4 per cent. But we sold more than 35 per cent of these inquiries.

This merely proved that our first efforts did not reach the real buyers. It is common knowledge here that a return of more than 10 per cent in inquiries is almost a sure prophecy that we have attracted the wrong kind of people; that the expense of the resultant follow-up is going to be sheer waste. It is rare that at any given time, more than 10 per cent of the total market will be in a position to buy. If you can get half of these to uncover themselves, you have done well. Any attempt to get more probably means that you will pass over the real buyers to attract those whom you cannot sell—at least for many weeks or months.

Every mailing list will have the following classes of people in it, for any given proposition:

- A. Those ready and able to buy;
- B. Those willing but unable to buy;
- C. Those able but unwilling to buy;
- D. Those neither able nor willing to buy.

Class A is always in the minority. Yet this class supplies the majority of the genuine successes in business, and in advertising. Perhaps Class B may eventually become able to buy, but often the efforts cost more than it is worth, due to the length of time required. You may be able to convince Class C but if you are selling a staple, continuous effort may easily absorb the profit. And if you devote too much attention to this class, you pass over the genuine buyers. Countless tests prove that. Unfortunately for direct-mail, those who tabulate net profit results rarely ever publish a booklet listing the losses they make.

Yet five losses or failures will usually teach us more than a hundred successes. That fact is easily demonstrated. Because sooner or later we all must face the balance sheet; we must deal with costs and profits.

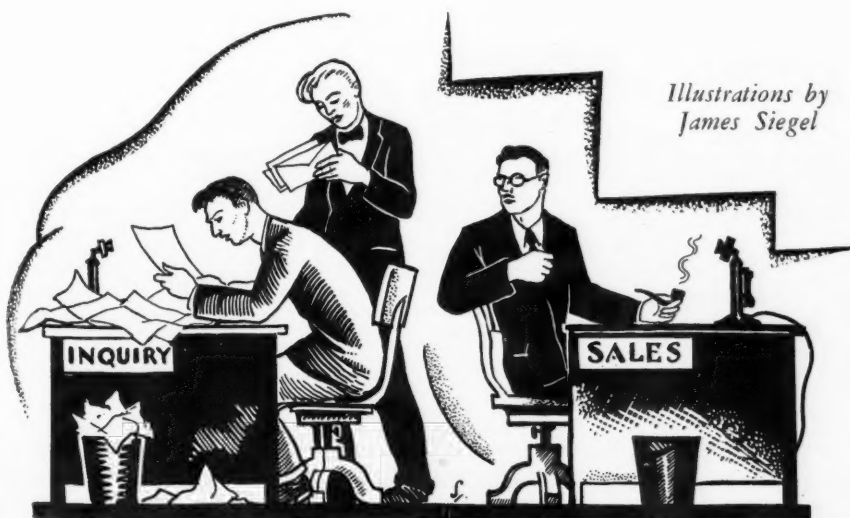
Must Check Up Sometime

Now is as good a time to do this as later. I believe that it is better. For every advertising manager, direct-mail specialist, printer and advertising agency must eventually come to grips with the man in business who signs the checks. The latter is beginning to ask some disturbing questions. He wants to know what his firm is getting for their money besides complimentary letters and unsalable inquiries.

A certain store in New England spending \$7,500 a year in advertising paid \$1,000 of this meagre appropriation to a specialist to "find out if advertising pays." It was a paying investment, for it turned out that the bulk of this store's merchandise was of a nature that, with its street location, made advertising unnecessary. In other words, when the advertising expenditure over six years was totaled up, it exceeded the total increase in sales over the same period. The sales increase followed the line of growth of the city; so that the advertising could not claim "cumulative effect," nor could it claim that the increase would not have followed without the advertising.

The other side of the picture is prettier to look at. The circumstances were the same—the business paid \$1,000 to find out if advertising paid, and secured for its money a plan which increased dollar-volume of inquiries (not requests for literature), some 85 per cent and sales some 32 per cent in the first year. And this in an industry which reached the lowest ebb in its history during that advertising year!

In both cases, records of results were of immense value. These records of sales and profits can usually



be kept. Usually the sales can be traced to inquiries (not requests for literature). One way of tracing the heretofore intangible results of advertising, as in the industrial field, is to find the Law of Normal Return for the business over a period of six to ten years, for inquiries and for sales. It is not hard to do, but it is tedious. It has its compensation, however.

To check results requires three things: (a) a record of dollar quotations over sixty to 120 months; (b) a record of sales in dollars over sixty to 120 months; (c) a record of the industry to which the firm belongs, showing its output over the same period.

With this you can chart three curves on a graph. You can judge the relation between inquiries and sales and the effect thereon due to improved or depressed conditions within the industry.

If the client has heretofore been a non-advertiser, then the advertising should affect these curves on the chart, favorably. For subsequent months the curve of bona fide inquiries (requests for literature not

counted, only actual quotations) should steadily rise. From thirty to sixty days later the curve of sales should rise if the direct-mail is proving effective. If these curves do not rise, but remain "normal," then note the curve of the industry's progress. If it is also stationary, then the direct-mail is not effective. If the industry curve is down while sales and inquiries remain stationary, it is probable that the advertising is holding the client steady.

This record can go farther. If the curve of inquiries shoots up in any one month, and the sales curve follows it later, note the literature sent out that month. It supplies a valuable clue to what will produce sales and profits. To make certain, repeat the same copy or copy built on the same theme ninety days later. If again sales and inquiries curve upward, it is almost certain the winning keynote has been struck.

You can make absolutely certain by obtaining a list of inquiries each month, by firms, by merchandise quoted on and by dollar value of quotation, and a similar list of monthly

sales. Comparing the names of those sold with those who made inquiry will tell (a) whether or not the kind of inquiries attracted can be sold, and (b) how profitable. Then continue with the winning appeals.

All this smacks of bookkeeping and so it is. It lacks the glamor and romance of fine-spun theory about the persuasive powers of direct-mail. It is simply monotonous work. There is little fun in it. But it proves immeasurably profitable—if not in money, then in education.

I know a firm that uses three letters which are now five years old. These letters have built, or, let us say, helped to build a very sizable off-shoot to the main business. They are used twice a year in that business, for some ten or twelve stores. Always they prove successful. Without accurate records of results they might have been discarded long ago for something "different." Without accurate records they might never have been discovered, for the records showed an absolute sales and profit failure on the first two campaigns tried.

Six Simple Letters

There is in an eastern seaboard city a firm that is rather small compared to its gigantic rivals. Yet this firm works its organization day and night on business produced by six simple letters. These letters average only 4 per cent returns, but these returns are *orders*. Previously, this same firm secured 20 per cent to 25 per cent inquiries but few sales. The inquiries came from those attracted by something other than the merchandise offered for sale. That is always the way with such inquiries. Only records, accurately kept will show you which is the good and which is the bad.

In direct-mail you must choose between the spectacular and the profitable. Rarely are they the same. You must choose between selling and securing response; between the small response from the small existing market, and the large response from the potential market.

Then you must know what you are about. Many an advertising manager is today seeking "a larger opportunity"; many a specialist spends most of his earnings obtaining new accounts; most agencies and printers keep their best men busy getting new business and not in getting results for present clients. Everywhere advertising accounts are hard to hold, because no one knows the reasons for failures and for success, and only the man who signs the checks can tell.

Also new accounts are getting
(Continued on page 587)

Is the "Summer Slump" a Fact— or Only a State of Mind?

J. K. MacNeill, sales manager of Hewes & Potter, says it is a state of mind, and we think he is right. We have obtained from a dozen leading companies the details of tested plans they have used to maintain volume in the "dull season." These stories will be presented in consecutive issues of Sales Management beginning next week. Here are some of the plans to be outlined:

How the Silent Automatic Corporation ran July (normally the duller month), 1928, sales up to a 300 per cent increase over sales for October (normally the peak month) during the previous year. August sales exceeded July by another 85 per cent, and were equivalent to total sales for the first eight months of 1927.

How Hewes & Potter introduce new lines and plan fresh sales features for their products during the summer months, and how they get salesmen to work on Saturdays.

How J. D. Gerken Company, manufacturers of radiator furniture, worked with their agents and dealers to achieve a 30 per cent increase in sales for July and August.

The most successful summer sales contest ever conducted by the Federal Motor Truck Company, which was not only effective in increasing volume, but which turned out to be a lot of fun for the salesmen.

Curtiss Plane Delivers Candy Samples Via Parachute

Systematic "Airplane Promotion" Plan Ties Up with Personal Sales Efforts and Widespread Advertising.

BY RANDALL HOWARD

ABOUT five years ago the Curtiss Candy Company started on a unique program of "air advertising," which is considered one of the important factors in its development in eleven years from Pres. Otto Y. Schnering's little hole-in-the-wall candy kitchen to his present organization, which includes four factories with 5,000 employes and a sales force which justifies for a single candy bar the slogan that "3,000,000 are eaten every day—they must be good."

The air advertising program was begun with the flights of Capt. Dallas M. Speer in a three-passenger Waco biplane named "Baby Ruth." The name of the plane was painted conspicuously on both sides of the fuselage and on the lower sides of the wings. In his advertised and scheduled flights over cities and towns Captain Speer threw out large numbers of Baby Ruth candy bars attached to little paper parachutes.

Captain Speer's flights have continued, more or less regularly, through the entire five-year period, during which time he has dropped more than a million Baby Ruth candy bars and packages of Baby Ruth peppermint gum on approximately one-half of the small towns and cities in America. And at the present time he is in the midst of an airplane tour of the entire United States, started in June, 1927, which will not be completed before June, 1929. It is estimated that from June 1, 1927, to December 1, 1928, the Baby Ruth airplane traveled 28,900 miles in 1,700 flights.

A second form of airplane advertising was carried out during 1926 and 1927, through a widely heralded "Baby Ruth Air Circus" which visited many of the larger towns and cities of the United States. The equipment consisted of three Waco biplanes which, in accordance with their adver-

Right: Otto Y. Schnering, president, Curtiss Candy Company. Below: The Baby Ruth airplane which traveled 28,900 miles in 1,700 flights between June 1, 1927, to December 1, 1928.



tised schedule, performed all of the most spectacular and daring airplane stunts. During the performance the pilots or their assistants flung out large numbers of Baby Ruth bars.

For good measure, the air circus usually included a "delayed" parachute drop from one of the planes. That is, the jumper would wait until the spectators began to fear that something was wrong, before he would open his Baby Ruth parachute and land safely on the ground. During the entire five years of airplane adver-

tising, Baby Ruth flyers have never had a serious accident.

A third form of air advertising was the accomplishment of another Baby Ruth airplane—in the National Air Tour from Detroit, during July, 1928, for the Ford trophy. It was John P. Wood, in a Waco Baby Ruth airplane sponsored by Pres. Otto Schnering, of the Curtiss Candy Company, who jumped into the lead on the start-off of the contest and who maintained it consistently all the way.

(Continued on page 582)



J. H. Kraft's activities in gathering together a group of smaller cheese concerns started Borden and other big operators on a series of mergers in the dairy field.

WHAT investment bankers and financial promoters do not know about the marketing end of business would make several man-size mouthfuls.

For several months I have had mergers under the microscope. During this time I have examined the records of hundreds of consolidations and have sat on the sidelines as a disinterested observer while numerous proposed combines were being formed. But I have found very few cases where a merger was engineered and organized solely by outside promoters that the selling end of the consolidated businesses received a square deal.

Production is invariably placed on a sound basis. A production manager of undoubted ability is placed in charge and no attempt is made to secure him at bargain rates. The financial part of these deals is, as a rule, capably handled. The position of the chief executive officer of the new organization nearly always goes to a man of conspicuous qualifications. His basis of compensation is in proportion to his ability. The promoters of the combine are men of sterling integrity or they would not be able to put over deals of this character. These men are paid handsomely. On a large transaction their commissions run into the millions. Brilliant legal talent is engaged to approve the legal aspects of the combination. Lawyers

An Outline

The fatal error being made in the management of many merged concerns, Mr. Murphy says, is the consolidation of sales forces through which the "personalities" of products formerly promoted as specialties become submerged as members of a line. The writer continues his discussion of problems which mergers fail to solve.

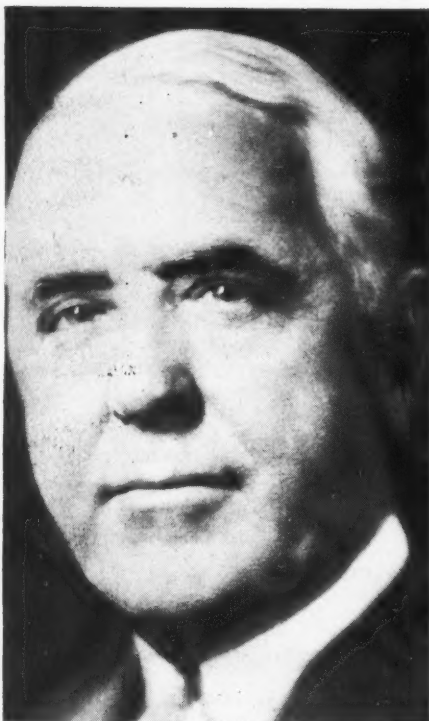
of this type are able to command princely fees. Stock is issued in

wretch's shoulders is placed the responsibility of making good the promises of the promoters and of justifying the hopes of the organizations and the men who joined the merger. Even at that, the sales executive would put the thing over in most cases if he were permitted to use a modern selling plan. Often, though, he is hedged with restrictions that make it almost impossible to sell the output of the merged businesses profitably.

Consolidating the selling of all the products in the combine is the most common error that is made. This is probably the outstanding weakness of present-day mergers. As a rule, the sales activities of a merger cannot be so easily consolidated as can its production, warehousing, financial and other activities. Salesmen and sales methods cannot be put through a melting-pot without losing all of the spark and all of the individuality which they may have possessed.

Anyone who has had much marketing experience is familiar with some of the difficulties of full-line selling. To sell a full line as a unit is about as hard a job as any of the labors that were assigned to Hercules. So generally is this recognized that most manufacturers either sell their lines by featuring specialties or by having their salesmen specialize on single articles or on small groups of articles in the line.

For example, there are scores of tooth pastes and shaving creams that are lost in large pharmaceutical and toilet goods families. The average person never hears of these pastes and creams. The toilet articles that all of us know and use are those that are promoted as specialties, even though they may be members of large families. Such names as Colgate, Mennen,



Curtis Bell, Inc.

Do mergers actually remove competition? Or do such combinations as Cavanagh-Dobbs, Inc., actually encourage competition? (Above) John Cavanagh, president.

the new corporation and is sold to investors on the strength of glowing promises, which the outlook of the business usually justifies.

Then, when the merger is completed and the consolidation is ready to function, a sales manager is hired at \$12,000 a year! On this poor

e of Mergers

Mr. les es" al- a on ve. re- om- ing the at the ere ing ged most the the most is of the be ro- nd les a the ity et- me ng- out ors So ost by eir les he of at nd ge nd of re gh es n.

No. 9. The Heel of Achilles in Mergers

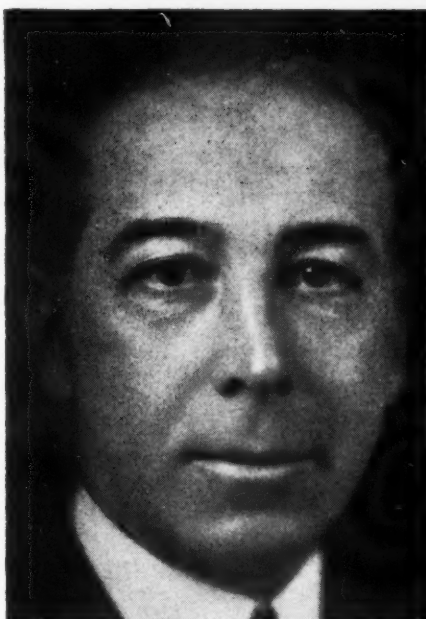
BY JOHN ALLEN MURPHY

Houbigant, Williams, Pebeco, Squibb, Palmolive and Ipana are familiar because they have been made the subject of vast specialty exploitation.

The managements of a number of mergers have either been overlooking or ignoring the experience of these specialty advertisers. It is oddly true that when these successful marketers, themselves, enter a consolidation they sometimes forget, temporarily at least, what they learned as independent operators. Take the Remington Rand Business Service, as an instance. That combination is made up of such famous specialties as Remington typewriters, Rand and Kardex visible records, Dalton adding machines, Library Bureau, Safe-Cabinet, Power accounting machines, Kalamazoo and Baker-Vawter Loose-Leaf equipment.

Every one of these products achieved its popularity through specialty selling. James H. Rand, Jr., the principal force behind the merger of these companies, is a brilliant sales executive. And yet, the mistake was

made of figuring when these diverse and largely unrelated products were thrown into a jackpot that they could be sold by the same sales force. A reduction of the number of salesmen

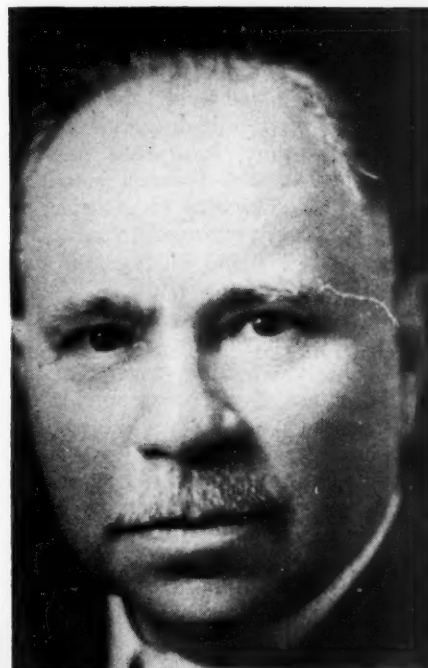


Blank-Stoller

Northam Warren, once the head of the type of enterprise whose success was built on specialty exploitation of a limited number of products, has, through recent mergers, gone into the "general store" business.

needed was one of the important economies that the merger was expected to accomplish.

The management soon discovered that the same salesman could not sell typewriters, filing equipment and loose-leaf devices. The merger was in danger of turning out to be a boner when W. F. Merrill was brought in as president. Mr. Merrill quickly restored the good, old-fashioned specialty selling system. He found that the merger justifies itself handsomely in many directions, without resorting to the hazardous risk of consolidating the selling activities.



Blank-Stoller

The linkup of American Radiator with Standard Sanitary will probably precipitate other mergers in this field. (Above) J. Ahrens, president of the combined companies.

Unless a merger continues to do specialty selling it is likely that its component parts and its separate products will eventually lose their identity. This may happen even though there are no competing units or products within the organization. The Postum Company, for example, is composed altogether of non-competing food products. LaFrance is the only article in the line that is not a food. So far the Postum management has been using splendid strategy in keeping its various acquisitions from losing their individualities. They are advertised as though they were independent businesses. They are sold in a number of small specialty groups, without a too close Postum tie-up. If the Postum products were advertised or marketed as a family, it would not be long before such valuable names as Maxwell House, Jello, Swansdown, Log Cabin, Calumet, Walter Baker, etc., would virtually disappear.

Full-line selling always kills the personalities of the members of the family. And in doing that it sometimes kills the family itself or else greatly weakens it. We have a good illustration of this principle in the history of these so-called syndicated brands, which were so conspicuously in the merchandising limelight about twenty years ago. The Rexall brand was the most successful of the lot.

The Rexall brand is the property of the United Drug Company, a Louis



Photo courtesy Daily News-Record

Edward Rosenberg was the father of one of the first "vertical trusts."

K. Liggett enterprise. Thousands of druggists throughout the United States—only one in a community—are or were affiliated with the United Drug. These Rexall druggists carried the Rexall line and since it was "their" brand they featured it to the exclusion of everything else, although, of course, they continued to carry all manufacturers' brands that were in demand.

For a time the Rexall idea was a great success. Almost invariably the best drug store in every town was the Rexall store. A generous portion of their sales consisted of Rexall goods. Eventually, though, specialty selling beat the Rexall idea. It did not overthrow it altogether, for it still exists, but the plan is somewhat in eclipse.

Just a Family

The trouble with a big brand family is that it is just a family. Almost every person in the country is familiar with the Rexall name. They know it is a line of pharmaceuticals, drugs and toilet goods. They know that they have used some Rexall articles. They have confidence in the worth of any Rexall product. At the same time, ask them to name one of the best-known tooth brushes or milk of magnesia, or hair tonics, or aspirin, and they would say Prophylactic, Phillips', Danderine, Bayer's, etc. No individual in the Rexall family could stand up against the reputation of California Syrup of Figs, Cascarets, Diamond Dyes, Pape's Diapepsin, Fletcher's Castoria, Caldwell's Syrup of Pepsin or any similarly well-known specialty.

Even Rexall druggists had to heed consumer preference. They continued to offer the Rexall line, but most of them gradually found their Rexall sales dropping off. Many of them were unable to take the increased quotas which their arrangement with United Drug called for. A number of them eventually gave up the agency. Of course, the Rexall plan is still going and it is still flourishing in some communities, but nowhere is the enthusiasm for it like what it was twenty years ago.

Undoubtedly the Liggett interests were beginning to recognize the weakness in the Rexall scheme when they bought the Sterling Products Company, the owner of many of the famous specialties which furnished the Rexall line with its unbeatable competition. Buying Sterling and other specialties, however, is not in itself sufficient to defeat competition. The Sterling products were successful because they were allowed to retain their own names and were not tied up too intimately with the family. Whether

this policy is to be continued is not now clear.

The advocates of mergers will tell you that consolidations remove destructive competition from an industry. They may appear to do this at first. In the long run, though, it will be discovered that competition cannot be eliminated through mergers. The Sherman Law is really not necessary.



Maxwell
Droke

A New Series of Articles on Business Letters

Next week SALES MANAGEMENT will print the first of a group of articles discussing specific ways for improving letters. The first article is on opening paragraphs.

Mr. Droke is well known as the president of The Business Letter Institute of Indianapolis. He was formerly director of dealers' service for The Palmolive Company, and has served Thomas A. Edison, Inc., Estey Organs, Westinghouse, Climacene and other nationally known concerns.

Economic law is much more effective. If a line of business proves unprofitable, neither individuals nor monopolies will succeed in it. On the other hand, if a field offers promising opportunities for money-making, no merger or "trust" or "Big Business" can keep the bonanza to itself very long. Steel, cans, biscuits, lead, oil, tobacco, candy and the other industries that were the scene of so many colossal combinations two or three decades ago are today just as competitive as they were before the near-monopolies were created.

Current mergers are running up against this same fact. Their promoters honestly believe they are re-

moving superfluous competition. But are they? In many instances mergers are actually creating more competition or else are placing it in stronger hands.

It is undeniable that the more nearly a large business is self-sustaining the better are its chances for success. But in becoming self-sustaining the company has to develop a full line, and with a full line the temptation is to stop specializing. We have already seen that if a company neglects to specialize the chances are it will be defeated by a house which does specialize. Thus does the vicious circle run.

The only way that this problem can be overcome is to have a full line and also to specialize on each unit in the line. The General Motors Corporation handles this matter to perfection. It has a complete range of cars, including trucks and taxicabs. It also owns a galaxy of companies producing automotive parts, equipment and accessories. But the corporation does not allow any of these subsidiaries to hide their lights under the family basket. Each unit has to go out and hustle for its own living. It is helped by the family reputation, but the family support would soon be withdrawn if a kid did not show signs of not only being able to care for himself, but also of being able to send money back home regularly.

Breeds Excessive Competition

While the General Motors Corporation handles this full-line situation admirably, just the same that does not hide the fact from us that vertical-trust manufacturing is a breeder of excessive competition. Perhaps that is not the case in the motor field, because of the vast amount of money required to launch a business, but it is true in other fields.

For instance, the Armstrong Cork Company recently bought a mill which manufactures a felt material used in making Quaker Rugs. An announcement made at the time of this purchase declared, "The acquisition of this plant gives the Armstrong company control or direction of the output of all basic materials used in the manufacture of its principal product, linoleum." Now let us suppose that all linoleum manufacturers produced their own raw materials. What would happen to the independent material people? It is conceivable that they might get together and manufacture linoleum. That sort of thing is happening right along. It is a tremendous source of increased competition in numerous industries.

(Continued on page 580)

The Salesman and His "Oats"

Does your compensation plan take into consideration the interests of your buyers? Mr. Norvell continues his discussion of compensation methods for salesmen, pointing out the dangers concealed in some of the standard plans which have been built up solely from the point of view of what the seller wishes to accomplish without thought of the buyer.

Part II of an article*

BY SAUNDERS NORVELL

President, Remington Arms Company, New York City.



The salesmen found out that this profit-sharing system worked.

WHAT happened to this force of salesmen on the new profit-sharing arrangement? The majority of them, as a result of better sales handling, of closer supervision, of new goods, specialties and ideas, and an awakening on their part, increased their sales and also increased their profits. I should say that 90 per cent of them earned their salaries, 75 per cent got a bonus, and 25 per cent did remarkably well, in fact, received such a large bonus that they were astonished. I made it my business to see that all of these bonuses were paid promptly, and they were not only paid in full, but, in some cases, I made a mistake in the figures in favor of the salesmen. These salesmen found out that this profit-sharing system worked, that they would get their money and they got it promptly without any quibbling and without a lot of little deductions.

Here I would like to say to sales managers that when salesmen do very well do not spoil a very handsome settlement by little deductions. Many salesmen are like grown-up children. Very few men are living statisticians. The majority of mankind lives through emotion and not intellect. Therefore, when you come to a settlement with a salesman who has done

well, if there are a few deductions for goods given away or lost samples, ignore these small matters in the settlement if possible, but do not hesitate to call attention of the salesman to the fact. In settling with a salesman who has done a good year's work not only please him with the amount of money he has received, but also have him leave your office with the feeling that he has been treated in a generous manner.

After three years of this system we had no trouble whatever. Sometimes, when I employed a man who had been drawing a large flat salary from another house, and I proposed this system, he hesitated. Then I referred him to our other salesmen. In this way, I frequently employed men on this profit-sharing deal at considerably smaller salaries than they had been receiving on a flat salary basis from competitors.

Some houses object to a profit-sharing system such as this, because the question of how profits are figured may become involved. In the many years of handling salesmen under this system, I have had serious trouble with only one man. He brought suit, claiming our profits were not correctly figured. At the trial, I brought in a number of our other salesmen as witnesses; the jury was only out a few minutes and the decision was in our favor.

This brings up another matter that

is of some interest. We sent our salesmen a monthly statement of their sales and profits. This statement was carefully figured out by departments, but on the back of each statement was a carefully printed statement of our contract or agreement with our salesmen.

Of course, at this trial, in order to prove his claim, this salesman had to produce these monthly statements.

Our lawyer insisted that each juror study the profit-sharing arrangement, as outlined in printed form on the back of the statements. This salesman had received these statements monthly, and therefore his contract was referred to him monthly. At the end of the year he claimed he had a different contract, but up to the time he was discharged he had never claimed that his contract differed from that outlined on the back of his monthly statement.

This monthly statement also carried the printed stipulation that if an agreement contrary to this printed form of contract was made that agreement must be in writing and signed by an official of the company. This salesman could not produce any such written agreement and therefore his case fell down.

One plan of compensating salesmen is to pay a stipulated salary for a certain volume of sales. Then, when the

*The first part of this article appeared in SALES MANAGEMENT for March 2.—THE EDITORS.

volume of sales exceeds a stated amount, a commission is paid for surplus sales. I have found in such arrangements that the expense account is usually left out of the arrangement, and I have noticed when the expense account was left out of the contract salesmen's expenses usually were exorbitant.

Of course, an arrangement such as this is based entirely on volume, and the question of figuring profits or costs does not add any complications. Some houses seem to get along pretty well with this arrangement. The plan works, for instance, with a smaller concern which does not have the machinery for profit figuring. Figuring the total volume is a much simpler matter than figuring the profit on every item sold.

The last method of compensation is a straight commission, with the salesman paying his own traveling expenses. I have never found an arrangement like this satisfactory, and I do not remember a single case in my experience where it has worked out in a satisfactory manner. Let me give some objections. In the first place, if a salesman draws a salary from a house, he feels that he is a part of that institution, and he is subject to its regulations. Paying him a salary, taking a chance on him, gives the house a right, in a sense, to direct him.

On the other hand, when a salesman travels on commission, he feels that he is entirely independent of the

house. If he makes no sales, they pay him no money. Therefore, they lose nothing. He does not stop to think that he is occupying a territory, his house expects returns from that territory, and that if he were not on the territory doing nothing, possibly some other salesman might be on that territory doing something. The average commission salesman does not worry himself about this point.

A commission salesman almost invariably feels that he is justified in carrying side lines. It has always been my conviction that the Bible is correct, especially where it states, "No man can serve two masters." I think the Bible states you cling to one and neglect the other. This is absolutely true in the case of a commission arrangement.

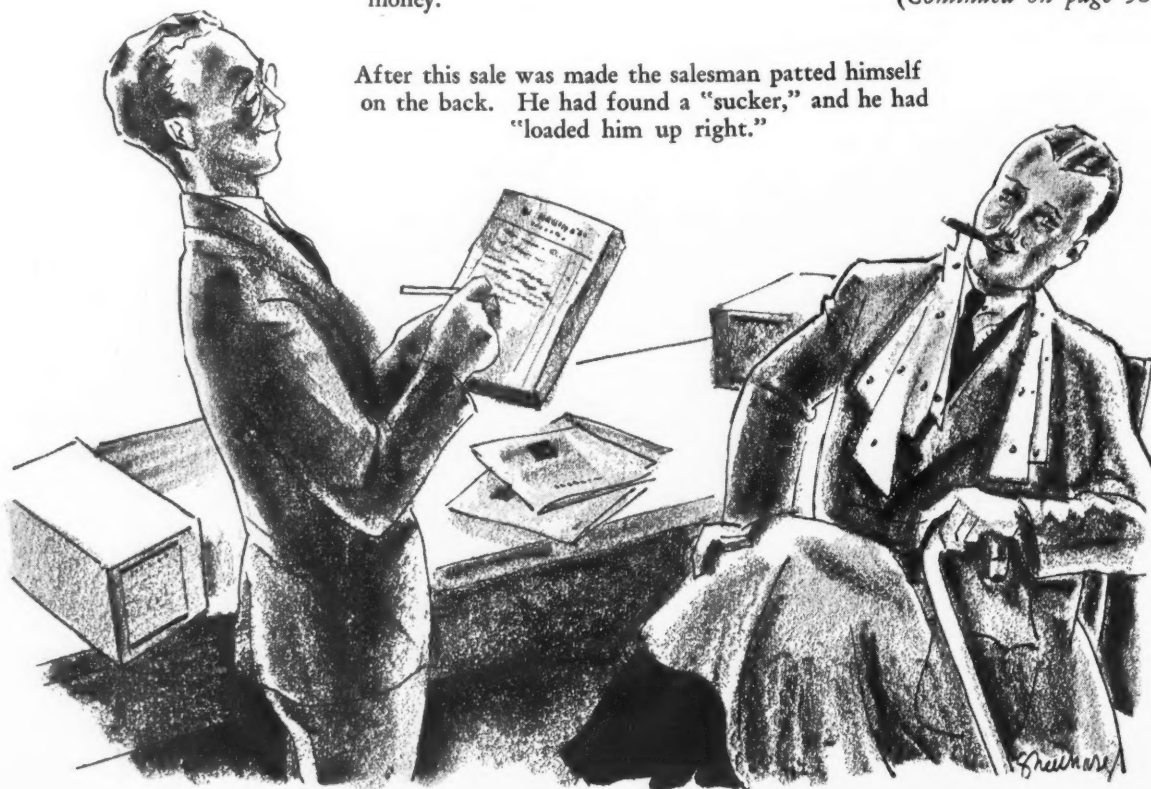
Furthermore, where a salesman travels on a regular salary, and his expenses are paid, he is assured of an income. He knows that he can support his family without any trouble. If he happens to run into a bad month or two, his income continues. Therefore, a salesman on a regular salary, with his expenses paid, has a certain peace of mind that the commission salesman never enjoys. A commission salesman, unless he has a large surplus (and very few salesmen seem to have this surplus), is in hot water just as soon as he runs into a dull period. Then he looks for some other job, or starts to add other lines. His energies, instead of being concentrated upon selling one line of goods, are wasted on other ways of raising money.

A salesman drawing a salary and having his expenses paid will do a certain amount of "prospecting." He will put in a part of his time attempting to work up business in new towns or with new accounts. He feels he is justified in doing this, because his salary and expenses are being paid. The commission man, on the other hand, cannot afford to do this kind of prospecting. He must take the cream off the top. Therefore, he confines his work mainly to business already established and does very little in the way of creating new business.

Of course, one could go into various refinements of compensating salesmen by commissions, even when they are working on an established salary basis with expenses paid. I know of houses which divide their entire business into several departments. These departments are arranged according to the amount of profit earned on the various lines of goods. A salesman receives extra compensation in the way of commission on these departments, the commission varying according to the profit on each line. Some concerns think this is a good plan, but in my own experience, while I have tried it, I have never been very enthusiastic over it.

The trouble with many of these theoretical plans for compensating salesmen is that they are gotten up with the one idea of what the seller wishes to accomplish. The seller wishes to sell certain goods, because they pay him a better profit. Therefore, he will encourage the salesmen

(Continued on page 586)



Facts Uncovered in the Louisville Grocery Survey

THE Louisville Grocery Survey, though not yet complete, covers a wide range as far as it has gone, and the results so far obtained are so clearly typical, not only of the Louisville district, but of conditions in the country at large, as to give them a very high and general value.

This survey, it should be borne in mind, is official in character, having been conducted under direction of the United States Department of Commerce, in cooperation with a board of directors composed of Louisville business men assisted by representatives of many national interests. Its scope:

(1) Analysis of Wholesale Distribution Costs:

Over \$60,000 worth of the latest improved mechanical tabulating equipment has been loaned to the survey by manufacturers to secure an accurate measure of sales both in quantity and value, classified by individual commodities and by counties, cities and individual customers. When the survey is completed these detailed operations will be related to the costs entailed for each of ten wholesale houses, including "old line," cash and carry, cooperative and specialty houses.

(2) Analysis of Retail Distribution Costs:

Table A—Grocery and Grocery and Meat Stores

Annual Sales	No. of Outlets	Total Persons Engaged	Salaries and Wages	Total Expense Incl. Wages	Total Sales
Less than \$5,000	79	91	\$ 2,847	\$ 30,885	\$ 211,560
\$5,000 to \$10,000	76	102	11,348	58,915	570,444
\$10,000 to \$25,000	117	251	92,423	195,796	1,918,724
\$25,000 to \$50,000	55	186	99,591	176,383	1,890,847
\$50,000 to \$75,000	12	61	46,352	70,880	695,951
\$75,000 to \$100,000	5	37	28,028	43,598	412,609
Over \$100,000	1	11	10,936	17,313	140,578
Total	345	739	291,525	593,770	5,840,713

A complete record of operations is being maintained for a period of three months on twenty-eight retail grocery stores, ranging in size from \$2,500 to \$250,000 annual sales volume.

(3) A Census of Food Distribution:

The most intensive census yet undertaken by the U. S. Bureau of the Census. This enumeration will include returns from more than 2,000 food outlets in Louisville and environs (including hotels and restaurants). Preliminary tabulation presented of 662 outlets.

(4) A Study of Population Character-

istics and Purchasing Power on the Louisville Market.

(5) An Analysis of Consumer Demand and Preference.

(6) A study of Business Mortalities and Credit Procedure.

A preliminary report follows, submitted by the Census Committee and the Louisville Grocery Survey consisting of Neill Roach, chairman; Thomas James, Walter Kallbreier and Shirley Haas, secretary.

The Louisville Grocery Survey was initiated by the retail grocers of Louisville, joined in heartily by other business interests under the direction of the Department of Commerce staff.

It began with an inventory. In the two stores inventoried this surprising comparison was presented:

Store 1; \$115,000 volume, inventory investment \$3,000; ratio 37 to 1.

Store 2; \$25,000 volume; inventory investment \$3,500; ratio 7 to 1.

Here was curtailment of investment in stocks in actual operation with a vengeance; and obvious increase in the total volume resulting. Here was unselected stocks, uncovered—a transparent influence in restricting volume.

But both stocks were laid bare publicly and a score of retailers saw their own shelves in their minds' eye stark naked.

One store inventoried was nothing less than a grocery museum. This grocery carried about 2,100 items of stock, including notions, dry goods, drugs and some hardware items. Within the field of grocery commodities, his situation was bad enough since he had a variety of specialty items which he could scarcely expect to sell in the section of lower incomes in which he

Table B—Volumes of Sales by Classes of Commodities

	Total	Grocery and Meat Stores
Tobacco	\$ 375,502	\$ 144,914
Canned & Bottled Goods	676,606	656,841
Confectionery	253,095	76,336
Groceries	2,454,133	1,391,617
Miscellaneous Supplies	182,126	180,786
Sub-Total	3,941,462	2,450,494
Bakery Goods	820,847	519,253
Dairy and Poultry Products	1,179,534	781,699
Ice Cream	164,355	53,917
Fish and Sea Food	21,326	10,576
Fruits and Nuts	191,712	108,202
Vegetables	335,679	264,939
Meats	2,108,215	1,544,496
Meats and Lunches	75,040	17,655
Soft Drinks	104,035	57,135
Delicatessen	20,065	7,650
Total Foods	\$8,962,270	\$5,816,016
Total Non-Foods	138,276	24,697
	\$9,100,546	\$5,840,713

was working. For instance, he had a heavy stock of canned grape fruit juice, an item which is just coming into general use. He had several cases of white tuna fish, a type which has not been caught for three years, and several obsolete brands of canned goods, ranging from two to four years since the time the brand was discontinued.

One of the older stores which has been studied indicated the fondness of the retailer for old cases of commodities which have apparently been with him since he was a boy. When he sent back his priced inventory, many items were marked "of no value," "probably not salable," "in bad condition," etc., but no indication was made as to throwing away these items. The same identical cans would probably be found somewhere in the store if it were to be inventoried again in five or ten years. Many unbroken cases were found in his large stockroom, weathered with age, and apparently undisturbed for years. One of the dusty cases, on examination, was found to contain canned pineapple, pancake flour and fly killer.

Paint on a Grocer's Shelf

There is a very great tendency for some of the retailers to stray into foreign fields outside of the grocery line. One man, when inventoried, had recently put in a complete stock of paint. It was not necessary to inventory this paint, since the invoice received with it two weeks before still represented the stock on hand, except for two cans which he definitely remembered as constituting his sales for the period. The same man had dozens of items in his notions department; he defended himself with regard to this stock, however, saying he was sure that these items netted him more than \$50 a month sales. The several hundred items required to make \$600 sales for the year was clearly out of line with the annual sales volume of \$60,000.

The surveyors were overwhelmed with requests that stores be inventoried; but a limited staff and limited time compelled the restriction of the survey to twenty-eight retail establishments.

But there was no intent to diagnose a disease without supplying a remedy. Perpetual inventories were set up in each store, so that every in-and-out stock movement was recorded; and each movement was translated into gross margin terms that none could mistake.

In the cleanest stock that was found there have since been many eliminations of items; and gradually the slow movers will make a final exit.

It is easy to mark articles which yield too little to warrant the effort imposed by carrying them. They will yield more, if their price is raised; but will they sell at the higher price? They will yield more if their cost is lowered; can they be bought for a lower price? They can be dropped out, unless some important customers insist on having them. But will they insist? If they will, they will pay a higher price.

In the final test, it is the consumer who decides which merchant shall succeed. So the merchant must defer to the customer. He can exercise his own judgment as to what to offer; the customer has to say what will be bought.

There is a prevalent idea that the retailer must have what the consumer wants. That is interpreted to mean a consumer; supplying a consumer means a dead item and a higher cost. It means inadequate service to the rest of the consumers who patronize the store; it means higher prices—or failure.

All of these services cost money; the consumers pay the total cost in the end. Too expensive service lowers the values that can be offered; it raises the price without raising the value, or it puts merchant and supplier out of business.

Costs of Services

This survey will develop the costs of services, though this preliminary exposition can do no more than suggest them in the limited time it has been operating. There is a natural emphasis on price because differences of price are obvious for everyone to see. But value is not apparent; differences in value must be demonstrated, particularly where it is concealed in a can.

This suggests another, most important phase of this survey; the matter of display. There is a physical demonstration of display in the model store presented at Louisville. It cannot do more than suggest the importance of store arrangement so that all of the stock can be made visible, exposing consumers to the temptation to buy those things that appeal to the eye, when they are within easy reach of the hand. A shopper's pocketbook expands amazingly when its owner can see and reach a desirable purchase. Clearly marked prices attached directly to the merchandise nudges that buying impulse surprisingly.

Some items deserve display more than others because they earn bigger wages, in the aggregate they are working at a piece rate. Some need display more, even though they do not deserve

it. They must have display, or it is practically useless to carry them. Some require preferred position in the store to get attention; others would be sought if they were concealed in the uttermost out-of-the-way corner. These are the necessities which bring the woman into the store repeatedly. The need is used to tempt the purchaser past alluring shelves. All this sounds like "scientific storekeeping patter"; but the survey will show that it pays dividends, when the work is completed.

Then there is the most important matter of credits; there is a real contribution in the cash-and-credit analysis. Cash-and-carry stores have put a heavy burden on the credit-and-delivery stores by forcing those who have not the cash to pay-by-day to use the credit stores when they have not ready money. There is means of controlling credit coming out of this credit study, provided it is used without fear or favor. None of these things are automatic, any more than one can get strong by installing a Whitley exerciser and never using it.

Correcting Credit Abuses

The wholesaler is learning from these analyses that he is concerned intimately with the methods of his retailer-customers. From the records of their purchase, he has the means to direct his buying to items that produce real profits. From these records he has the means to discover what customers and what items impose insupportable expense. He has the same opportunity for judgment as to what burdens he can afford to carry and what burdens he must drop. Finally, perhaps most important, he has the means of correcting credit abuses which sap his financial resources. He can see how failure to appreciate his requirements for display keeps one of his specialties out of the homes which certain retailers serve—no matter how much he may spend on promotion and advertising. All this is in these records—or they will be when they are complete.

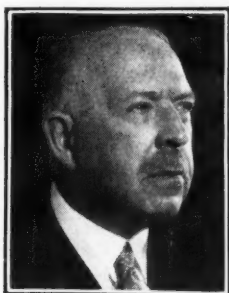
Louisville retailers are self-indicted; they are proven guilty. But nothing revealed here is peculiar to Louisville. All over the country grocers are following the same methods for want of precise knowledge of what they are doing and what it is doing to them.

The Louisville wholesalers are convicted as accessories, if not abettors. And manufacturers who sell direct are convicted of inciting and aggravating the prevailing practice.

And the consumer pays the bill—a heavier bill than is yet apparent.

(Continued on page 578)

WE have no plant equipment, no warehouses, no inventory of finished goods. We own no patents, no exclusive rights, no secret processes, no formulas. The present and the future of an advertising agency can be expressed only in terms of—men and women.



WM. H. JOHNS
President
New York



JOHN R. CAPLES
Asst Account Representative
New York



T. O. GRISELL
Director of Marketing
New York



PAUL McELROY
Account Representative
Detroit



BEATRICE MABRY
Copy Department
New York



WILLIAM C. MAGEE
Production Department
New York



FRANK M. LAWRENCE
Manager Contract & Rate Dept.
New York



CHARLES H. McDOUGALL
Art Director
Chicago



DOROTHY BERRY
Account Representative
New York

Batten, Barton, Durstine & Osborn

INCORPORATED

ADVERTISING

383 Madison Avenue, New York

CHICAGO: McCormick Building • BOSTON: 10 State Street • BUFFALO: 220 Delaware Avenue

In Defense of the Public Faith in Advertising

Ask for Reprints: The original proposal that an "Audit Bureau of Advertising" be formed to combat fakery and misrepresentation appeared in *Sales Management* for April 16, 1927. Excerpts from this article, and from other discussions which immediately followed it, have been reprinted and will be sent in limited quantities, without charge, to *Sales Management* subscribers requesting them.

IN the Spring of 1927—two years ago—SALES MANAGEMENT suggested the formation of an organization to deal with the problem of deceptive and misleading advertising, which, for want of a better title, we called the Audit Bureau of Advertising. The success of the Audit Bureau of Circulations in stamping out misrepresentation in its particular field was our warrant for believing that a similar organization, similarly representative of all the factors concerned in the production and dissemination of advertising, could accomplish the necessary control over fraudulent or mendacious representations in copy addressed to the public. The suggestion attracted widespread attention, and provoked serious discussion. But what is everybody's business is nobody's, and the spirit of *laissez faire* was at that time stronger than the interest in protecting the credibility of advertising. We were content to lay the suggestion aside for the time being, knowing well that the pressure of events would inevitably bring it forward again.

We are reviving the proposal now, not in the belief that it is a final panacea, but because it is the only constructive and comprehensive suggestion that has yet made which goes to the source of the evil.

That the importance of this problem of deceptive and misleading advertising cannot be ignored is evidenced by the contemporary excitement over the detail of fake testimonials: certainly the most obvious and probably the least harmful of all the particular manifestations of advertising mendac-

ity. The fake testimonial is a hoary-headed fraud upon human credulity which was a commonplace two hundred years ago, and of all the varieties of fraud it is probably the most transparent. Certainly this form of public exploitation is disgraceful and indefensible; but to organize a noisy crusade exclusively against *this* is simply to draw the traditional red herring across the trail. A bloodless victory can be won no doubt, by marching the legions of Truth in Advertising against this pasteboard enemy. But we are either sincere in our protestations, or we are not. And if we really mean to protect and defend the credibility of advertising in the minds of the public, let us attack the evil itself in its stronghold, even though it may mean a casualty or two.

The threatened strangulation of the public faith in advertising by means ranging all the way from downright fraudulent and criminal misrepresentation to what is sometimes called "innocent exaggeration" is the evil we are called upon to face; the evil which we *must* ultimately face, or risk the loss of everything that we have gained. To try to destroy this evil by prohibiting the use of a particular weapon is as futile a gesture as to legislate against the crime of murder by forbidding the use of a 38 calibre pistol, nine inches long, with a blued steel barrel and hard rubber grip.

Nor is this a problem that can be passed off onto the Better Business Bureaus or the Federal Trade Commission. The Better Business Bureaus can take effective action only so far as they are authorized by the laws, be-

yond which point they can only advise and recommend. They have done and are doing notable and admirably effective work in investigating the advertising of products that are positively harmful or deleterious, and we are taking prompt and vigorous action against such advertisers. But, as the letters that we receive from our own readers constantly show, it is not this type of advertising that is doing the bulk of the damage. It is rather the advertising of products that in themselves are entirely meritorious, but which are flatly misrepresented through the mistaken use of half-truths, insincere promises, pseudo-scientific talking points, false emotionalism, false testimonials, and so following.

Federal Trade Commission

As for the Federal Trade Commission, aside from the general objections to official, governmental censorship of private business, it is important to note that it is interested in fraudulent advertising as an unfair method of competition, primarily, and can take direct action only in cases which it considers to be "in the public interest."

There is even less merit, we believe, in the attempt to pass the buck to the publisher. To hold the publisher responsible for the censorship of the advertising that appears in his own columns is in principle not unlike asking a judge to render an impartial decision in a case involving his own financial interest. That he will exclude from his columns anything that is obviously dishonest or blatantly noisome is of course to be expected, but we have no right to ask that he establish a research laboratory, or organize a corps of detectives, or set himself up as an arbiter of business morality. Furthermore, go as far as he may in the effort to keep his own columns above reproach, he cannot purge the columns of his fellow publishers, or prevent the poison from reaching the minds of the public through other channels. Individual action by publishers would entail individual investigations and a consequent lack of standardization in results as well as wasteful duplication of expense and effort.

The situation, as a matter of fact, is
(Continued on page 583)

Charge to the account of Sales Management, Inc. Form 1228A

CLASS OF SERVICE DESIRED		WESTERN UNION	NO.	CASH OR CHG.
DOMESTIC	CABLE			
TELEGRAM	FULL RATE			
DAY LETTER	DEFERRED			
NIGHT MESSAGE	CABLE LETTER			CHECK
NIGHT LETTER	WEEK END LETTER			TIME FILED

Patrons should check class of service desired; otherwise message will be transmitted as a full-rate communication.

NEWCOMB CARLTON, PRESIDENT J. C. WILLEVER, FIRST VICE-PRESIDENT

Send the following message, subject to the terms on back hereof, which are hereby agreed to

March 4, 1929


C. C. Younggreen, President
International Advertising Association
S. S. Leviathan via London

THE VALIDITY OF ADVERTISING CLAIMS IS BEING ASSAILED FROM WITHIN AND WITHOUT THE WORLD OF SALES AND ADVERTISING BECAUSE SOME ADVERTISERS HAVE OVERSTEPPED THE BOUNDS OF TRUTH stop PUBLISHERS ARE BEING URGED TO CENSOR MORE RIGIDLY THE CLAIMS MADE ON THEIR ADVERTISING PAGES BUT WE BELIEVE IT IMPOSSIBLE FOR PUBLISHERS LARGE AND SMALL TO ANALYZE FAIRLY ALL THE CLAIMS MADE IN COPY SUBMITTED BY SEEMINGLY REPUTABLE PARTIES EXCEPT POSSIBLY AT A STAGGERING COST AND AN APPALLING AND UNNECESSARY DUPLICATION OF EFFORT stop WE BELIEVE FURTHER THAT IF ADVERTISERS CAN NOT OR WILL NOT CENSOR THEIR OWN COPY AND IF GREATER CENSORSHIP IS NEEDED THE INTERNATIONAL ADVERTISING ASSOCIATION AS EMBRACING ALL ADVERTISING INTERESTS AND FOUNDER OF THE TRUTH IN ADVERTISING MOVEMENT COULD BEST SET UP AN AUDIT BUREAU OF ADVERTISING TO WHICH ADVERTISERS AGENCIES AND PUBLISHERS COULD SUBMIT ALL DISPUTED OR QUESTIONED COPY FOR AN UNBIASED INVESTIGATION AND DECISION stop IF YOUR MEMBERS AND DIRECTORS APPROVE SUCH A BUREAU SALES MANAGEMENT MAGAZINE WILL BE PLEASED TO CONTRIBUTE THE SUM OF ONE THOUSAND DOLLARS FOR THE FIRST YEARS OPERATION AND FURTHER TO URGE ITS READERS AND ADVERTISERS TO CONTRIBUTE TO THE REQUIRED FUND

Raymond Bill, publisher,
SALES MANAGEMENT and Advertisers' Weekly

"If advertising is worth preserving—and it is—there is only one way to do it. The confidence of the public in advertising must be maintained and, to a certain extent, restored. Can this be accomplished while the public continues to be fed with lies and blandishments, and continues to be served with the dead-sea fruit of disappointment? We do not think so."—From an article, "Suggests Plan to Eliminate Fakery in Advertising," in Sales Management for April 16, 1927 if you want to check misrepresentation and mendacity in advertising, there is a way to do it.

THE SATURDAY EVENING POST December 1, 1928




"THIS IS MY SON"

Overhead a star, radiant in an unearthly glory, hovers as if to announce a miracle. The simple shepherds push through the door, standing in awe before an event they can only dimly comprehend. Three Wise Men from the East, bringing gifts kneel in adoration. But Mary is thinking not of the star, not of the shepherds, not yet of the Wise Men. She is dreaming of the years in which

THE SATURDAY EVENING POST 1928

He shall be hers to care for to nurse to protect. Of the time when He shall be grown in strength and wisdom and she shall find herself saying in her mother's pride, "This is my Son" And then of the day when He shall be ready to do His work in a man's world—remembering the precepts He learned at her knee—holding to a vision of what is good, even though it lead to a Cross.

Only to a mother is it given to know wholly the beautiful story of the Nativity. Only a mother can know the hopes the fears. Only a mother can know the true spirit of Christmas—to give without thought of thanks or expectation of reward.



McCALL'S
A MAGAZINE FOR WOMEN

The McCall campaign, handled by Calkins & Holden, Inc., won first place in the general or institutional campaign classification.

The Advertising Gallery

Five of the 1928 Harvard Awards

The sixth year of the Harvard Awards, founded by Edward W. Bok, illustrates the wide versatility of modern advertising methods, and calls attention to some striking campaigns and individual advertisements. A story of the awards will be found on page 571 of this issue.

Blackman Company's series for the Vacuum Oil Company received the award for the best campaign of an industrial product.

3 plants unlock economies —with the same key!

**In Plant No. 1—
Increased production
lowered oil costs
plus other economies**

This manufacturer of ground rock products made a change to Gargoyle lubricants.

After five months of operation—during which production increased from 40,000 tons to 52,450 tons, 31%—the following reductions were recorded—

Cost of oil reduced (from \$1700 to \$1150)	Saving 32.4%
Labor cost for oiling reduced (see explanation)	\$1,175
Bearing renewals reduced	75%

Previous to making this change in lubrication it was necessary to shut down the rock drying machine once every two months for renewal of bearings. Six months after using Gargoyle lubricants not a shut down had been reported.

(From the records of an Oklahoma cotton gin.)
Vacuum Oil Company File No. 1128.

Here is an all-around economy in power, labor, maintenance, production and oil.

The total saving more than paid the oil bill. Do such savings interest you?

**In Plant No. 2—
Saved—3 hours
a day of one
man's time**

With lubrication methods formerly used, overhead shaft bearings were hand-oiled daily. This task took one man three hours a day. Labor cost \$450 a year.

In addition—
Much trouble was experienced with hot bearings. Bearing renewals were frequent. Surplus oil dripped on the wooden beams, increasing fire hazard.

Gargoyle lubricants were installed.

Now Gargoyle Extra Oil Heavy Medium is applied by the most modern methods.

One filling lasts 3 weeks. Cost of labor for lubricating shafting. One year approximately \$50. A saving of \$400.

Oil is now employed on production work. No hot bearings have occurred since Gargoyle lubricants were installed.

There is no more drip. Consequently the fire hazard is greatly reduced.

(From records of an Indiana manufacturing plant.)
Vacuum Oil Company File No. 4928.

This saving more than paid for the cost of the oil. Perhaps similar economies could be made in your plant.

**In Plant No. 3—
41% reduction
effected in
maintenance costs**

This Oklahoma cotton gin has 8 gins.

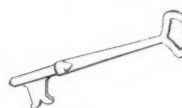
During the season of 1925-26 they were lubricated with a competitive oil.

A change in lubrication was made for the season of 1926-27. Gargoyle products were used.

The following table shows a comparison of the performance of the two oils—

Costs per ton	Competitive Oil 1925-26	Gargoyle 1926-27	Saving
Lubricating oil	\$ 270	\$ 162	\$ 108 (40%)
Maintenance	422	247	175 (41%)
Fuel	262	166	96 (37%)

(From the records of an Oklahoma cotton gin.)
Vacuum Oil Company File No. 5,227.



THE KEY to correct lubrication for your plant may be a change in lubrication. Or, it may be a change in the methods used to apply the oils now in service.

The successful experience of the Vacuum Oil Company in correctly lubricating all types of machinery, plus the high lubricating quality of Gargoyle Lubricating Oils, should help you in reducing operating costs.

Let us work with you.

NOTE: On request we will send you, without obligation, our authoritative treatises, "Steam Turbine Lubrication", "Stationary Steam Engines", "Bearings and Their Lubrication", "Hydraulic Turbine Lubrication". Write for your copies.



Lubricating Oils

The world's quality oils for plant lubrication

Vacuum Oil Company

Headquarters: 61 BROADWAY, NEW YORK

Branches and distributing warehouses throughout the country

Sh! HE'S ASLEEP

ASLEEP on an Atlantic City verandah at three in the afternoon... a grown-up in a chair slumbering like an infant in a cradle!... slept nine hours last night and now at it again!... nothing wrong, only recuperating from overwork in the City... had a date for golf and has forgotten all about it... sleeps oblivious of the chatter at the bridge tables... dreams of solutions to problems that he left behind... stirs at three-thirty, blinks the life about him and nods off again... just a business man caught napping at Atlantic City... but you'll never catch him napping in town!!!

ATLANTIC CITY

Three-hour Pullman Trains from New York via Central R. R. of N. J. (Liberty St. or 7th St. Stations) or via Pennsylvania R. R. (Pennsylvania Station or Hudson Terminal) Full Information from local ticket agents.

Write to Any of the Following for Rates or Reservations

HOLMHURST-A	SEASIDE-A	BREAKERS-A-E
KNICKERBOCKER-A-E	SHELBURNE-E	BRIGHTON-A
MARLBOROUGH-BLENHEIM-A-E	STRAND-A	CHALFONTE-HADDON HALL-A
NORTON-A	TRAYMORE-A-E	CHESEA-A-E
PENNHURST-A	WILTSHIRE-A	DENNIS-A
RITZ-CARLTON-E	AMBASSADOR-E	GALEN HALL-A

(A—American Plan E—European Plan A-E—Both Plans)

Home of a Hundred Hotels Offering the Comforts of Home

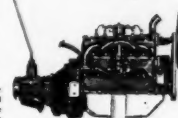
© COPYRIGHTED, F. I. FLETCHER

For the advertisement effective in its use of text as the chief means of delivering its message, this one on Atlantic City by F. I. Fletcher was rated highest.

For the advertisement most effective in its use of a display line, this one for the Scripps Howard Newspapers received the award.

THE NEW FORD HAS A REMARKABLE ENGINE

Value of simplicity of design shown daily in outstanding smoothness, acceleration, speed, power, reliability and economy. Low-priced car should not be complicated.



No. 4

The engine of the new Ford represents a new development in modern automobile engineering. It is unique in design and performance because it gives you unusual smoothness, acceleration, speed and power without sacrifice of reliability and economy.

Ford engineering has found the way to include every essential factor of good performance without the necessity of a high speed, complicated motor.

The design of the cylinder head is just one factor in this performance. Others are the direct gravity gasoline feed, the specially designed carburetor, the new hot-spot manifold, the carefully planned large valve diameter, the chrome silicon alloy valves, the aluminum pistons, the statically and dynamically balanced crankshaft and flywheel, and the simplicity of the electrical, ignition, cooling, lubrication and fuel systems.

Engine mounting reduces vibration

Of special importance is the manner in which engine vibration is absorbed before it reaches the chassis of the car, thereby preventing unpleasant vibration results.

This is done in the new Ford through the introduction of a flexible frame and support that is both simple and practical—a truly remarkable improvement in engine mounting developed after many months of testing and experimenting.

Quality of materials and careful workmanship also have a great deal to do with the continuously good performance of the new Ford.

In the new Ford, for instance, the diameter of the piston pin is held within three ten-thousandths (.0003) of an inch. An

equally close limit is followed in the hole into which the piston pin is fitted.

The weight of the aluminum alloy pistons is set at 17 1/2 ounces. No piston is permitted to come under this weight nor exceed it by more than 2 grams.

In the piston assemblies, consisting of piston, connecting rod, pin and spring retainer, the four assemblies in each motor must match in weight within a limit of 1/16 of an ounce.

Every piston assembly must meet the weight of the other assemblies in the set within approximately 1/16 of an ounce. Main and connecting and bearings on crankshaft are held true to within three ten-thousandths (.0003) of an inch.

Unusual accuracy of manufacturing methods

It is of course almost impossible to conceive of measurements as close as these. They are achieved only through the finest processes going in the hands of expert workmen. The master blocks by which these parts are set are accurate to the almost incredible limit of a millionth of an inch.

All of this care and accuracy is an indication of the fundamental

principle that underlies the new Ford: simplicity of design and the beauty of an engine which does its work in the most efficient manner possible.

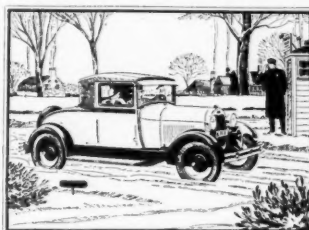
When these engines are in the new Ford car, they are in the hands of the new Ford car. Write, confidentially, for more information.

thoroughness of Ford manufacturing methods. If a part should be made accurate to a limit of .0001 of an inch, it is made to .0001 of an inch. Margin of profit is made secondary to service.

Dependence therefore is the quality of the new Ford. You can see that a part of it with your eyes. Research the head are countless available values. Summed up, they count for more than any one spectacular feature.

Because of the value that is in it, the new Ford is more than just a new automobile. It is a part of the life, the progress and the prosperity of the country. Our policy has always been to see that you get the very best materials—the most careful workmanship—the soundest design that can be built into a low priced automobile.

Today, more than ever, the new Ford is the fulfillment of that ideal.



FORD MOTOR COMPANY
Detroit, Michigan

FEATURES OF THE NEW FORD CAR

Beautiful line lines

Class of lines

Remarkable acceleration

Smoothness at all speeds

55 to 65 miles an hour

Silent, mechanical, internal-coupling, no-brake system, with self-braking system fully enclosed

Reliability and economy

Triple-shock front-wheel drive

Price of the new Ford—Roadster, \$249; Sedan, \$269; Touring, \$289; Coupe, \$309; Sport, \$329; with optional 480, \$349; further \$500, \$520, \$540, \$560, \$580, \$600, \$620, \$640, \$660, \$680, \$700, \$720, \$740, \$760, \$780, \$800, \$820, \$840, \$860, \$880, \$900, \$920, \$940, \$960, \$980, \$1000.

—LITTLE DRAMAS IN THE LIFE OF A GREAT NEWSPAPER SYSTEM—



Painted for Scripps-Howard Newspapers by Paul Tappan

"Kill my cow for an Editor?" I should say not!"

ASCRIPPS-HOWARD Newspapers in the center of a western dairy district led a state fight against tubercular cattle.

For five years it struggled to convince farmers and dairymen that infected animals were not only dangerous to life and health, but were business liabilities... A long series of editorials and articles was published. The State Agricultural College was enlisted. And the day finally came when the dairymen who had

bitterly assailed the editor wrote to the state inspector, asked him to inspect their herds, and to slaughter all infected animals.

Sections of the public are often wrong-headedly committed to a course against their own interests. The editor who attempts to convince them that they are wrong must have the courage to stand both circulation loss and advertising loss. Public opinion changes slowly. But he gains both back in the end, in heaping measures. And he establishes his paper so firmly in the homes and hearts of his readers that no opposition can shake their trust in its integrity... This reader-confidence that the SCRIPPS-HOWARD Newspapers have built up through many strenuous years is not for sale at any price. But it can make sales for the advertiser.

vertising loss. Public opinion changes slowly. But he gains both back

in the end, in heaping measures. And he establishes his paper so firmly in the homes and hearts of his readers that no opposition can shake their trust in its integrity... This reader-confidence that the SCRIPPS-HOWARD Newspapers have built up through many strenuous years is not for sale at any price. But it can make sales for the advertiser.

NEW YORK, Chicago, SAN FRANCISCO, Reno, DENVER, Salt Lake, Boise, CLEVELAND, ... Press, WASHINGTON, ... Press, DENVER, Evening Press, BALTIMORE, ... Press, CINCINNATI, ... Press, TOLEDO, ... Press, PITTSBURGH, ... Press, INDIANAPOLIS, ... Press, COLUMBUS, ... Press, CLEVELAND, ... Press, ...

SCRIPPS-HOWARD

MEMBERS OF THE AUDIT BUREAU OF CIRCULATIONS

NATIONAL ADVERTISING DEPARTMENT

310 PARK AVENUE, NEW YORK - CHICAGO - SEATTLE - SAN FRANCISCO - PORTLAND - DETROIT - LOS ANGELES - ATLANTA - PHILADELPHIA

ALBANY, ... Press, ALBUQUERQUE, ... Press, ANCHORAGE, ... Press, ARIZONA, ... Press, ARKANSAS, ... Press, CALIFORNIA, ... Press, CANADA, ... Press, COLORADO, ... Press, CONNECTICUT, ... Press, DELAWARE, ... Press, DISTRICT OF COLUMBIA, ... Press, FLORIDA, ... Press, GEORGIA, ... Press, ILLINOIS, ... Press, INDIANA, ... Press, IOWA, ... Press, KANSAS, ... Press, KENTUCKY, ... Press, LOUISIANA, ... Press, MAINE, ... Press, MARYLAND, ... Press, MASSACHUSETTS, ... Press, MICHIGAN, ... Press, MINNESOTA, ... Press, MISSISSIPPI, ... Press, MISSOURI, ... Press, MONTANA, ... Press, NEBRASKA, ... Press, NEVADA, ... Press, NEW HAMPSHIRE, ... Press, NEW JERSEY, ... Press, NEW MEXICO, ... Press, NEW YORK, ... Press, NORTH CAROLINA, ... Press, NORTH DAKOTA, ... Press, OHIO, ... Press, OKLAHOMA, ... Press, OREGON, ... Press, PENNSYLVANIA, ... Press, RHODE ISLAND, ... Press, SOUTH CAROLINA, ... Press, SOUTH DAKOTA, ... Press, TENNESSEE, ... Press, TEXAS, ... Press, VERMONT, ... Press, VIRGINIA, ... Press, WASHINGTON, ... Press, WEST VIRGINIA, ... Press, WISCONSIN, ... Press, WYOMING, ... Press, ...

NEWSPAPERS

AND MEMBERS OF THE UNITED PRESS



The Sales Managers' Bookshelf

Quantity and Quality Prosperities

OUR prosperity is a quantity prosperity. Yes, a quality prosperity, too, thanks to the doctrine of obsolescence which has supervened on quantity production. . . . Our prosperity is more than anything else an automobile prosperity. . . . Quantity prosperity inevitably defeats its own purpose. The more automobiles, the more traffic congestion and the less use to be had out of each automobile." So Elmer Davis in the March *Harper's Monthly* discussing "If Hoover Fails"—and raising many other questions we would rather not consider. Some of them are cheerfully handled by Roger Babson in the article reviewed below. But read Elmer Davis, if you dare!

Babson on Autos, Airplanes, Better Weather and Better Men

In the *Forum* for March, Roger W. Babson writes on "Air Flivvers and the Future," but in spite of that title devotes considerable space to the automobile industry. He thinks its enormous scope has offset the labor-reducing influences of mergers, chain stores, group-buying and the development of automatic machinery in manufacturing. Can the auto industry keep it up? It is *not* keeping it up; annual percentages of increased car registration in recent years have shown the falling off—23 per cent, 17 per cent, 14 per cent, 10 per cent and 5 per cent. But that is not final proof, especially in this industry where the impossible has so often been achieved. He proceeds to suggest possible ways in which the market for automobiles might be increased: suburban shopping areas; compulsory abandonment ("obsolescence") of unsafe cars; simpler gear-shifting; development of foreign

trade; but *not* installment buying—Mr. Babson says that it has done all that it can do: "The automobile industry must look elsewhere for its next comeback."

"Will the flivver airplane take the place of the car and give us a new era of prosperity?" Only, says he, if the airplane industry finds a "master key"—like a really effective helicopter. (The phonograph horn, the auto tire were "master keys"—a concept of enormous value in any business: "the invention which makes the industry serve the millions instead of the millionaires.") The flivver airplane must be a combination automobile and hydroplane.

"The automobile has created the suburbs. The airplane will create the countryside." There will be a new oil industry with pipe-lines to every filling station, and we will have better eyesight, better weather and better morals—for we will need them all in this Utopia. "No group will benefit more from the aircraft industry than will the farmers."

Propaganda—Pro and Con

This March issue of the *Forum* has a debate between Everett Dean Martin and Edward L. Bernays on the question: "Are we Victims of Propaganda?" Mr. Martin opens with quotations from Mr. Bernays' book and argues that propaganda has set up an invisible government. Mr. Bernays answers by making propaganda mean "one person attempting to convince another" and quoting some of the most social instances that have ever occurred. Propagandists are anonymous but they are the mouthpieces for known men or groups whom the public holds responsible.

Mr. Martin's answer is particularly interesting for his unbiased discrimination between advertising and other

propaganda. "The man who advertises soap generally sells what he advertises. Even the sale of an occasional gold brick is not the worst evil of propaganda. What I object to is the nation-wide sale of cultural gold bricks."

British Distrust of American Business Methods

In the March *Century* Dr. Lionel D. Edie, professor of finance at the University of Chicago, writes on "Peaceful Penetration: The Impact of American Business on English Culture." He contrasts American prosperity and British depression, and explains the latter as largely "the attitude of a great people toward changes in their civilization." Americanism to the "die-hard Troy" is the most dangerous of the menaces of today—even worse than Fascism or Bolshevism. Americanism means "consumptionism—the multiplication of mass luxuries," all counter to traditional standards of British living. Mass-production, or "rationalization," as the Englishman calls it, is "not the thing"—the Englishman thinks it a synonym for cheap and nasty. The other factors that the Britisher finds (and deprecates) in his analysis of Americanism are: elastic credit facilities (Dr. Edie points out that the English financier wants to get interest rates down, and *can't*, because the Federal Reserve keeps them high to check speculation, and the world suffers!); prohibition, which the Englishman thinks has helped the sale of mass luxuries; and protectionism.

Dr. Edie says that the slogan "Buy Empire-made Goods Only" proves the Englishman as provincial as the most narrow Babbitt. The American idea of tariff aid gets more favorable recognition in Britain than the other elements in Americanization—but all the elements are making way, slowly and surely. And the result should be beneficial to us as well as to British manufacturers since our annual exports to the United Kingdom now fall about 16 per cent below normal.

Style by the Editor of the Economist

Edward F. Roberts in the March number of the *American Magazine* writes on "The Greatest Guessing Game in the World,"—where do fashions originate and why? No one can tell in advance, he says, and he explains some recent styles after the event. The World War explains much in this sphere, as in most others. Long dresses were doomed by military authority when millions of women went into war work.

(Continued on page 588)

Unlike **MOST OTHER CITIES!**

*Indianapolis has no "Problem"
in Her Newspaper Situation*

THE Hoosier metropolis offers no "guessing contest" about which newspaper to select. There is no jungle of figures to confuse the advertiser.

That is because Indianapolis has one big, outstanding newspaper which does the advertising job thoroughly and economically; one big concentrated circulation that virtually blankets the city and surrounding territory. The News is read by 86 out of every 100 Marion County (Indianapolis) families and by 47,605 additional families in the rich Indianapolis Radius.

The News . . . ALONE . . . Does the Job!



The
INDIANAPOLIS NEWS
sells The Indianapolis Radius

DON BRIDGE, Advertising Director

New York: DAN A. CARROLL
110 East 42nd St.

Chicago: J. E. LUTZ
The Tower Bldg.

\$30,000,000 "Market" to Result from United-Biltmore Merger

BY LAWRENCE M. HUGHES

United Hotels of America will merge soon with the Bowman-Biltmore Hotels Corporation

The new combination, representing nearly eighty units, will be not only the largest chain of hotels in the world, but probably the largest privately owned organization buying and using manufactured products.

United Hotels now operate twenty-five units in the United States and Canada. Through the American Hotels Corporation and other subsidiaries they control altogether more than seventy.

Bowman-Biltmore operates only seven hotels, but each of these averages more than one thousand rooms. The Commodore, in New York, the largest of the Bowman-Biltmore chain, contains 2,200.

The merger will bring into one control hotels with a valuation of \$500,000,000, gross earnings of \$100,000,000, and an estimated annual "buying capacity" of more than \$30,000,000.

Frank A. Dudley, president of the United Hotels, will probably be head of the merged organization, which

would include, among its major executives, John McEntee Bowman, president of the Bowman-Biltmore company.

The purchase of supplies for this gigantic combine will probably be handled by J. Linfield Damon, vice-president and secretary of the United Hotels, and chairman of their department of design, supplies and equipment. With United Hotels, Mr. Damon's department not only purchases every kind of supply, from needles to mechanical equipment, but supervises the making of blueprints and the purchase of the building equipment in the erection of new hotels.

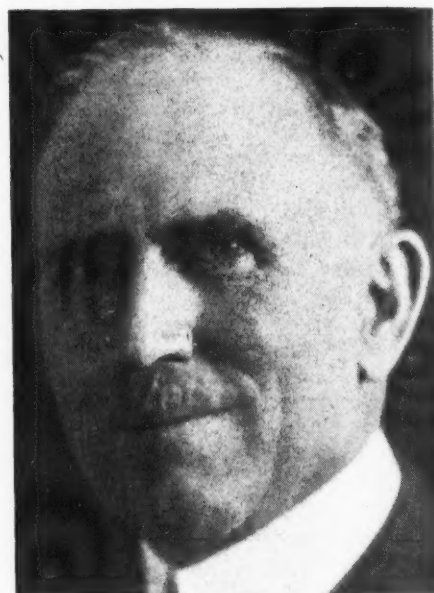
For the United Hotels alone, exclusive of subsidiaries, Mr. Damon buys \$15,000,000 worth of supplies annually. The "bath soap consumption" in one hotel annually (the Roosevelt, in New York) is 125,000 gross. The Roosevelt contains 1,000 rooms. Figure that there are 144 cakes of soap in a gross, and that all the twenty-four United Hotels put together have some 12,000 rooms, and you will get an idea of what a good "soap market" this institution happens to be.

At present the company is using advertised brands of hand and bath soaps. It will soon introduce, however, a standardized United Hotels brand, and some manufacturer, or group of manufacturers, is going to receive a rather large order.

One million dollars is spent in furnishings and equipment yearly, Mr. Damon added. "We have just placed an order for 250,000 envelopes for shirts in our laundries; another order for 4,000,000 book matches." Each order placed covers a year's requirements.

"Every product purchased for the United Hotels is standardized," Mr. Damon explained. "We work closely with the Bureau of Standardization in Washington, and on a number of products we follow their suggestions. Everything we buy must meet exactly requirements which we have established.

"Our coal must contain 14,000 B. T. U. per ton. We require a rebate once a month if the analysis by



Frank A. Dudley

our chemists shows that it has fallen below that mark. Our vegetables are sent out regularly to the chemists for tests; our tomatoes must have a certain proportion of solids. A recent analysis showed how we could buy insulating cord at a considerable decrease in cost from another company. Our blankets must be of a certain width, they must have but so many threads to the inch and be of a specified weight. So must our napkins. The standardization process runs through all the tens of thousands of items which we buy. Even the locks on the doors are standardized.

"It makes no great difference to us whether or not the company from whom we buy is well known, provided their products and credit are good and their output sufficient to meet our requirements. When we have decided exactly what qualities we must have in our products we get in touch with every manufacturer in this field, suggesting that they bid on it.

"Although the Bureau of Standards has not been able to help us on all of the things we buy, on at least a dozen or fifteen items we follow their standards exactly. Among these are sheeting, linens, pillows, mattresses, springs and pads."



J. Linfield Damon

Announce Advertising Awards; Clarke Wins Harvard Medal

Rene Clarke, art director of Calkins & Holden, Inc., New York advertising agency, has been given the 1928 gold medal of the Harvard Advertising Awards, for "distinguished contemporary services to advertising."

Campaigns and advertisements of the Ford Motor Company, of Lewis & Conger, New York house furnishing store, *McCall's* Magazine, Vacuum Oil Company, Atlantic City, Marcus & Company, New York jewelers; Scripps-Howard Newspapers and

ing director of the Audit Bureau of Circulation (1926); and James H. McGraw, chairman of McGraw-Hill Publishing Company (1927). The individual award for the first two years went to the National Vigilance Committee of the Associated Advertising Clubs (now the National Better Business Bureau).

Cash awards for 1928 were announced by Dr. Copeland as follows:

The national campaign for a specific product, \$2,000, to Ford Motor Com-

The advertisement distinguished for its effective use of illustration, \$1,000, to Marcus & Company, New York, with recognition to Charles A. Hammarstrom, for an advertisement of Marcus & Company, titled: "Delectable Crescent."

The advertisement distinguished for its effective use of display line, \$1,000, to Lennen & Mitchell, Inc., New York, for an advertisement of the Scripps-Howard Newspapers, one of a group of equal excellence, titled: "Kill My Cow for an Editor? I Should Say Not!"

The advertisement distinguished in its effective typography, \$1,000, to Robert A. Holmes, New York, for an advertisement of Dobbs & Company, with recognition to Robert A. Holmes, Jr., and the Harbor Press.

At the dinner last night, which was held at the Faculty Club of the business school, Frederick C. Kendall, editor of *Advertising and Selling*, discussed "The Use of the Testimonial in Advertising."

Other speakers were R. R. Wason, general manager of the Clark Lighter Company and a member of the 1928 jury, who spoke on "New Horizons"; and Prof. Philip Cabot of the Harvard business school, on "Art and Business."

Rene Clarke delivered an address on "Craftsmanship."

The jury comprised twelve men prominent in advertising, printing and publishing.



Rene Clarke, the 1928 Harvard Medalist

Dobbs & Company, New York, hats and wearing apparel, will receive cash prizes aggregating \$12,000.

The winners, chosen from 10,000 entries, were announced by Melvin T. Copeland, professor of marketing of the Harvard School of Business Administration, and chairman of the 1928 jury of award, at a dinner to 100 prominent advertising men, at Boston, March 8.

The gold medal is presented to Mr. Clarke, Dr. Copeland said, for his "efforts both as artist and art director in raising the standards of advertising through example and through the teaching of young men and women in the profession."

Mr. Clarke is the fourth individual to receive it—the others being Earnest Elmo Calkins, president of Calkins & Holden (1925); O. C. Harn, manag-

pany, Detroit, for the advertising of both the Ford motor car and the general subject of aviation. (N. W. Ayer & Son is the agency.)

The local campaign for a specific product or merchandise, \$2,000, to Batten, Barton, Durstine & Osborn, Inc., New York, for Lewis & Conger, prepared by Dorothy Grieg and George McAndrew.

The general or institutional campaign, \$2,000, to Calkins & Holden, Inc., New York, for *McCall's* Magazine.

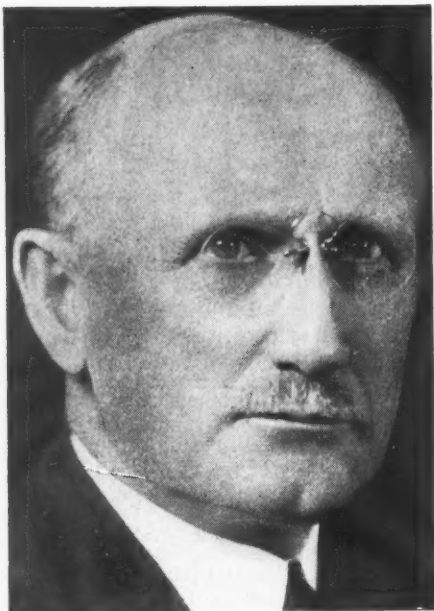
The campaign of industrial products, \$2,000, to the Vacuum Oil Company and the Blackman Company, both of New York, for Vacuum oil.

The advertisement distinguished for its effective use of text, \$1,000, to Frank Irving Fletcher, New York, for an advertisement of Atlantic City, titled: "Sh! He's Asleep!"

Harvard Medalist Both Artist and Executive

Rene Clarke, artist with Calkins & Holden since 1912, art director of that agency since 1924 and member of the firm and secretary of the company since 1925, was born in Springfield, Massachusetts, forty-three years ago, under the name James A. Clarke.

Self-made and largely self-educated, he studied art in night school while being employed at Hartford as a printer. About 1906 he began doing free-lance work in Pittsburgh. Four years later he came to New York to join Rogers & Company, printers, where he was so deeply influenced by one Rene Vincent that the impression and even the name stuck with him.



Col. Robert P. Lamont

Commerce Secretary Is a Veteran Business Man

Col. Robert P. Lamont, new head of the Department of Commerce, has had a background somewhat like Mr. Hoover's, insofar as both were trained engineers. In Colonel Lamont's case the emphasis has been on administrative work as a practical business man. He is sixty-one years old.

After being graduated from the Engineering Department of the University of Michigan at the age of twenty-four, he pursued his profession in connection with the Chicago World's Fair of 1893. Later he joined the American Steel Foundries of which he became president in 1912.

During the World War he served as major and colonel of ordinance and won the Congressional Distinguished Service Medal as chief of Division of Procurement for "adjusting equitably outstanding contracts with full justice to employers and employees."

The range of his business activities is indicated by his affiliation as director with the following concerns: Griffin Wheel Company (chairman of the board), First National Bank, Chicago; Armour & Company, American Radiator Company, Dodge Brothers, International Harvester Company, Montgomery Ward & Company and the Chicago Daily News Company.

In his home town, Chicago, he has been prominent in civic and scientific affairs.

R. M. Carson, manager of sales of the Fort Howard Paper Company, Green Bay, Wisconsin, has been elected a director of the company.

MOBO Increases Sales Effort 40 Per Cent; Expands Outlets

More and more aggressive advertising and selling will be undertaken for MOBO by the John T. Stanley Company, Inc., this year, N. S. Dahl, general manager, told a meeting of salesmen at the Hotel Pennsylvania in New York last week. The advertising appropriation will be 40 per cent higher, he said.

The campaign will start on the radio, over the network of the Columbia Broadcasting System, March 12, and will run for twelve weeks. After a month's interval the newspaper campaign will begin intensively in the cities east of the Mississippi where the company has distribution. Behind both phases of the campaign, outdoor advertising will run continuously. Posters from five to ten miles apart will blanket the East and Middlewest.

World Names Alexander to Direct Advertising

E. M. Alexander will become vice-president of the Press Publishing Company, New York, April 22. He will have complete direction of the display advertising departments of the *Morning, Evening and Sunday World*. Following several years in the Hearst magazine organization, Mr. Alexander entered the newspaper field, where he has filled several executive positions—among them, advertising manager of the *New York Tribune*, advertising director of the *Sun* and *New York Herald*, publisher of the *New York Daily Mirror*, vice-president of the *New York American*, and vice-president of the *New York Evening Journal*.

John P. Bresnahan, business manager of the *World*, has also been made a vice-president.

Florence D. White remains as first vice-president and general manager.

Fisk Will Furnish All Chrysler Tires

The Fisk Tire Company and the Chrysler Corporation have entered an agreement whereby Fisk will supply exclusive tire equipment on all Chrysler, Plymouth, DeSoto and Dodge cars and trucks and Fargo trucks sold in the United States.

From this record-breaking initial business certain selling arrangements have been involved to insure an enormous replacement business.

National Bureau Seeks Consensus of Opinion on Paid Testimonials

The opinion of 4,000 advertising agencies and national advertisers on the subject of paid testimonials is being asked in a questionnaire by the National Better Business Bureau.

"The bureau has received many inquiries on the use of purchased testimonials and the demands have been insistent that the bureau take a stand on the matter," said Edward L. Greene, general manager.

"We believe the answer for or against its use is whether it is beneficial to advertising in general and that answer can best be provided by national advertisers and advertising agencies. The return from this group will express an expert opinion, I believe," Mr. Greene explained.

Westinghouse Will Market Electric Refrigerator

The Westinghouse Electric & Manufacturing Company has organized an electric refrigeration department, with headquarters at the Mansfield, Ohio, works. They will soon enter a field in competition with General Electric, Frigidaire, Copeland and other leaders.

J. S. Tritle has become general manager and Carl D. Taylor, formerly manager of the industrial division of the company's Pittsburgh office, has been appointed manager of the refrigeration department.



E. M. Alexander

Is SUNDAY A DAY OF REST FOR WEEK-DAY ADVERTISING CLAIMS ?

Not when the week-day claims are based on home coverage!

For Sunday circulation is home circulation. Sunday's tally—or failure to tally—with week-day circulation and advertising proves or disproves claims for week-day home coverage.

In Boston, for instance—

Three seven-day newspapers carry most of Boston's national and local advertising. Only one of these three, the Globe, holds its group of readers in Metropolitan Boston practically intact over Sunday. The other two lose a third and two-thirds, respectively.

This means that the every-day home newspaper in Boston is the Globe.

Both local and national advertisers recognize this fact.

Boston merchants place more advertising in the Globe seven days a week than anywhere else. In department store advertising, which *must* reach the home, the Globe contains not only as much space on Sunday as the other three papers combined, but leads by 48% for the seven days.

In display advertising, the Globe also leads Sunday and daily in three of the five major space classifications. In automotive advertising, a classification in which Sunday copy is the rule, the Globe leads seven days a week.

Home circulation and home advertising, however, are not the cause but the result of the basic reason for the Globe's home coverage—an editorial policy that gives foremost consideration to the reader in the home.

The Globe carries more city and suburban news than any Boston newspaper. Its Household Department, established thirty-four years ago as the first "women's page" in the country, is an institution faithfully recognized by Boston women. School news is very complete. Its sport page is second to none—the arbiter for all of New England and widely quoted throughout the country.

THUS, on this home coverage question in Boston, the Globe scores from every angle—advertising, circulation and editorial.

Boston is a "home" city if there ever was one. Civic consciousness is developed to high degree, and there are more homes per capita than in most cities. Moreover, the average family wealth in this trading area of 3,000,000 people is \$9,000—fourth highest in the United States!

National advertisers cannot adequately cover this rich home market without the Boston Globe.

Our booklet will help you in determining how best to sell in the Boston market. Send for a copy.

The Boston Globe

Greyhound Bus Lines Launch Their First National Campaign

On the basis of 3 per cent of its estimated gross revenue, the Motor Transit Management Company, with headquarters in Chicago, has undertaken a national newspaper and magazine advertising campaign to promote Greyhound Bus Lines, which now extend into practically every section of the country and which serve directly a "sixth of the nation's people."

The magazine campaign has started in the *American Magazine* and the *Saturday Evening Post*—the first advertisements to be published by a bus company in national magazines.

The newspaper campaign has been running in small space, several times a week, in the 1,000 cities and towns served by the system.

The company also uses direct-mail folders, small station bulletins and a variety of other media—including the publication of a company newspaper for employes and the launching, this month, of a new travel magazine, the *Greyhound Traveler*, with an initial circulation of 50,000, which is expected to be self-supporting through the sale of advertising.

"The advertising problem confronting the bus companies at present is largely one of education," explained W. R. Fowler, Jr., advertising manager of the Motor Transit Management Company. "The effects of this sort of advertising are cumulative and more likely to be permanent."

"In addition, however, we have found it necessary to advertise with those methods and in those media which we felt would bring immediate revenue. When a bus company has attained the size of the Greyhound Lines in a period of two years, the advertising becomes almost as important a feature as other more direct factors of operation."

Boston Chamber Announces "National Land Cruise"

A "national land cruise" will be undertaken by the Boston Chamber of Commerce from April 22 to May 19—the itinerary extending southward to Georgia, Louisiana and Texas and westward to the Pacific Coast.

In addition to becoming better acquainted with other business centers, the business men plan to do a little "selling" for New England.

Ralph K. Mulford, racing driver, has joined the Stutz Motor Car Company of America, Inc., as special sales representative.



Edward T. Clark

Clark, Aide to Coolidge, Now with Drug, Inc.

Edward T. Clark, personal secretary to Calvin Coolidge, has resigned to become vice-president of Drug, Inc., the holding company which controls the United Drug Company, the Liggett stores and other Louis K. Liggett interests in the United States, Canada and England.

Mr. Clark has been secretary to Mr. Coolidge ever since he went to Washington eight years ago as vice-president of the United States. Formerly he was an official of Stone & Webster and for a number of years was secretary to the late Senator Henry Cabot Lodge.

DuPont Appropriation Exceeds \$2,250,000

More than \$2,250,000 will be spent in newspapers and magazines by E. I. du Pont de Nemours & Company this year to promote the sale of their products, William A. Hart, director of advertising, told a meeting of the advertising executives of that company at Atlantic City recently.

In 1929 the trade-mark of the company will appear 300,000 times, Mr. Hart said. Most of the appropriation will be devoted to newspapers.

Smiley to Bremer-Tully

Richard E. Smiley has resigned as assistant general sales manager of the Atwater Kent Manufacturing Company and is now general sales manager of the Bremer-Tully Manufacturing Company of Chicago.

American Business Journals Formed; Twenty Papers in \$6,500,000 Combine

American Business Journals, Inc., has been established to acquire eight business publications of New York and Chicago and the Vamos Corporation, printers, Long Island City.

Options on fourteen other publications and another printing plant are also held by the new corporation, which is headed by Charles W. Price, New York City, chairman, and Harry W. Walker, Chicago, president.

The eight publications, to be taken over April 1, are *Elite Styles*, which has been published by Emil Strauss of New York City; the *American Fruit Grower Magazine*, from Magazines, Inc., Chicago; and *American Produce Grower*, *Power Transmission*, *American Machine and Tool Record*, *Concrete Products*, *Highway Engineer and Contractor*, and *Engineering World* from the International Trade Press, Chicago.

Headquarters of the International Trade Press will be moved from Chicago to New York next month.

The amount of financing already involves \$1,600,000, Colonel Price said. When all of the twenty publications are taken over, the financing will involve \$6,500,000. All of the publications will be printed in New York.

The new organization, Colonel Price explained, will function as a "submerged" merger. "The identity of all the publications will remain intact. Whatever changes in the circulation policy may be made will follow a survey now being made by R. W. Rosebury."

Colonel Price has been chairman of the board of the International Trade Press, Chicago, and president of the Electrical Review Publishing Company, New York. Mr. Walker has been vice-president of the International Trade Press. Other officers are: Vice-president, Richard E. Brown, publisher of *Accessory and Garage Journal*, *Wire and Wire Products* and *Tractor and Equipment Journal*, New York; secretary, George J. Martin, New York, secretary of the Martin-Rosebury Corporation; and treasurer, R. W. Rosebury of the Martin-Rosebury Corporation.

Mr. Rosebury was said to have been instrumental in bringing the merger about.

Jack W. Harris is now general sales manager of the Woodrow Washing Machine Company of Pella, Iowa. He was formerly a sales representative of the One-Minute Washer Company, Newton, Iowa.



"Wait a Minute that Price has Changed!"

CATALOG open, prospect enthused, sale about to be closed . . . then comes the cold water. "Wait a minute, I think that price has changed." Feverish search thru bulging pockets. Wrinkled paper appears. "Yes, it has, that will cost \$52 more." Flap! Flap! Sound of sale taking wings.

Who is to blame? The Catalog! It can't be up-to-date, it's

not loose leaf. Price changes made it old two weeks after it was issued. Already it's filled with a mass of messy sheets . . . price changes, new products, revisions of many sorts.

How about your catalogs? Are they order killers, sales murderers? Try loose leaf, they are always up-to-date, ever neat, easy to add to, inexpensive . . . salesmen in themselves. Like to know more about them? Mail the coupon today!



The style "H" Catalog Cover because of its construction enables the user to bind all weights and grades of paper stock with the assurance that every sheet will be held absolutely secure and in perfect alignment with no tearing at the binding margins. The capacity varies from a few to a large number of sheets. Changes are easily made with the style "H" catalog.

Baker Vawter-Kalamazoo Division
REMINGTON RAND BUSINESS SERVICE Inc.
 Buffalo, N. Y.

Sales Offices in all Principal Cities

Remington Rand Business Service Inc.,
 Remington Rand Building, Buffalo, N. Y.

Gentlemen: I'd like to know more about catalogs that can be a sales help instead of a hinderance.

Name _____

Firm _____

Address _____

State _____

Texas Legislature May Authorize Rio Grande Valley to Advertise

The Rio Grande Valley will become a national advertiser if a new advertising bill now before the Texas legislature becomes a law. The Valley has been kept from the national field because the present laws prohibit appropriations of more than \$50,000.

Plans have been made a number of times to advertise the Rio Grande Valley, according to W. R. McGarrity, secretary of the McAllen, Texas, Chamber of Commerce, but have been abandoned because it was thought that a sum of less than \$300,000 would be wasted in calling attention to the valley. The bill, which has been in the hands of the attorney general for checking as to its constitutionality, has just been introduced in the Legislature and may be passed at this session.

A number of bills, suggesting the change in the advertising laws of the state, have been drafted and if they are included in the docket by Governor Dan Moody they will be introduced by Representative Cecil Story, of Vernon, Texas. Enough pledges have been obtained to pass any of the bills, it is said.

One of them proposes that the county court of any county may levy a tax not to exceed 10 cents on \$100 of taxable property "for the purpose of advertising the business, social, educational and recreational advantages, the natural resources and the scenic attractions of such county."

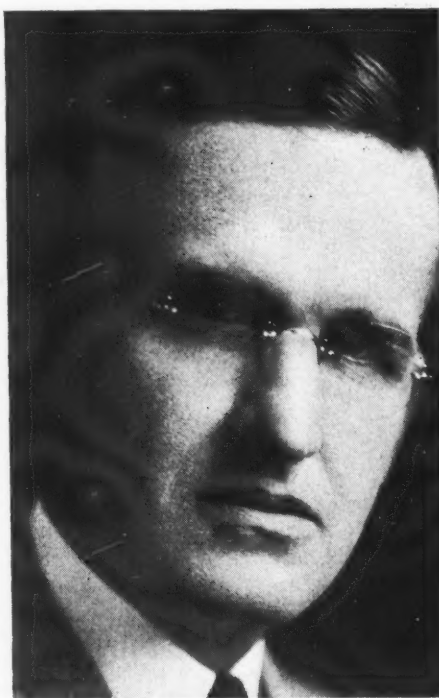
Another is in the form of an amendment to the present law governing the duties of the county court. It adds that the commissioners of the county court will also have the power to levy a tax for advertising the county.

A third bill is also an amendment—adding to the taxing powers of the governing body of cities having a population greater than 5,000.

There is, however, one more stumbling block. According to the state constitution, the legislature has no power to appropriate "any public money for the establishment and maintenance of a bureau of immigration or for the purpose of bringing any immigrants to this state." Should this question be raised, it will be referred to the supreme court of the state.

Interest in the question of advertising the Rio Grande Valley was revived by a recent article written by Eugene Whitmore, managing editor of SALES MANAGEMENT.

Tom Jones Parry Agency, Seattle, has changed its name to Penman & Parry, Inc.



H. Curtiss Abbott

National Carbon Names Abbott Sales Manager

H. Curtiss Abbott of Chicago has become sales manager of the radio division of the National Carbon Company, Inc., makers of Eveready radio sets. Previously Mr. Abbott was general sales manager of the Crosley Radio Corporation and last year was vice-president of the National Electrical Manufacturers' Association.

Account Changes

FLORIAN, INC., Detroit, shaving creams, etc., for men, to the Dorland Agency, Inc., New York City. National newspapers, magazines, trade papers and window displays.

SEARS, ROEBUCK & COMPANY has appointed Batten, Barton, Durstine & Osborn Corporation, Chicago, to direct new advertising developments.

MORSE & COMPANY, Boston, investment securities, to Albert Frank & Company, there.

LILY-TULIP CUP CORPORATION (recently formed by the merger of the Public Service and the Tulip Cup Corporations), New York City, to Lyddon, Hanford & Kimball, Inc., there.

ROBERT H. FOERDERER, INC., Philadelphia, Vici kid, to Geare, Marston & Pilling, Inc., there.

Twenty-two Southern Furniture Stores Join in Chain

Twenty-two furniture stores in as many cities from Baltimore to New Orleans have formed a new chain store organization as Furniture Associates, Inc., with Charlotte, North Carolina, as the central office headquarters.

Hugh A. Murrill of Charlotte has become merchandising director of the new association. The other officers will be announced in a few days.

An all-day conference on March 4 in Atlanta with executives and leading representatives of the twenty-two interested stores in attendance, following sessions between Mr. Murrill and members of the industry throughout the Southwest extending over the past several months, brought the elaborate negotiations to a conclusion. Presentation of the entire arrangement by Mr. Murrill and others and a lengthy discussion of the final details closed the deal.

Although twenty-two furniture stores have consummated the deal, according to the announcement, only nineteen member stores are now listed. Thirty-five stores—each in a different Southern city—are expected to be associated in the group soon.

The nineteen original stores are: W. T. McCoy & Company, Charlotte; Elliott Furniture Company, Durham; The Rountree Corporation, Richmond; Hecht's Furniture House, Richmond; Duffee-Freeman Furniture Company, Atlanta; Lindsay and Morgan Furniture Company, Savannah; Martin Furniture Company, Columbus; Morrison-Neese Furniture Company, Greensboro; Craig-Rush Furniture Company, Greenville; Adam Glass and Company, Mobile; R. B. Boyles Furniture Company, Birmingham; Frank Tennile Furniture Company, Montgomery; Chadwick Furniture Company, Jacksonville; Tarr Furniture Company, Tampa; F. A. Hulette and Sons, Meridian; Clemmons Brothers, Chattanooga; Booth Furniture and Carpet Company, Shreveport; Max Barnett Furniture Company, New Orleans, and Clements, Chism and Parker Company, Danville.

Directs Fruit Sales

Lester W. Menchen, Boston sales manager of the Fruit Dispatch Company, a sales subsidiary of the United Fruit Company, has been elected vice-president of the former organization. He has been with the organization for twenty-three years. He will remain in Boston.

Business Indices

Close approach of the season when commercial demands for credit will expand sharply finds the money situation as tense as ever and no signs of relief in sight. The high rates for call loans still attract most attention, because of their close relation to stock market speculation, but business men are interested primarily in the stiff rates for time loans and the high discounts for commercial paper. The most interesting development of the week was the continued runup in commodity prices with some evidence of a decided trend. The bank figures, especially clearings, reflected marked activity but were still affected by holiday irregularities. Annual earning statements continue to afford explanation of stock market advances. The National City Bank has compiled a list of 527, all of manufacturing concerns, with total net earnings in 1928 of \$1,758,250,000, a gain over 1927 of 21.6 per cent and of 22.1 per cent over 1926. The increase in telephone business, recorded in a gain of \$15,000,000, or 10 per cent, in the net earnings of the American Telephone & Telegraph, testifies in unmistakable terms to rising activity.

Total Transactions

Bank clearings in the week ended February 28 (five days) amounted to \$13,225,740,000, 26.7 per cent more than in 1928. Outside New York the gain was 15.4 per cent. Debits against individual accounts in the week ended February 27 (five days) were \$16,191,000,000, up 8.3 per cent over 1928; outside districts, however, were only 0.4 per cent higher.

Margin of Profits

Commodity prices persisted in their recent advance, Irving Fisher's index number touching 98.4, compared with 98 the week before and 97.6 two weeks ago.

Credit Conditions

Call money rates ranged from 8 to 10. Time loans were still quoted at $7\frac{3}{4}$, commercial paper at $5\frac{3}{4}$ to 6.

Changes at Chain Belt

R. A. Shilbauer has become advertising manager of the Chain Belt Company, Milwaukee, succeeding A. R. Abelt, who will devote his entire time to the position of sales manager of the chain and transmission division of the company. Mr. Shilbauer was formerly assistant advertising manager.

New England's Second Largest Market

What Greater Proof?

In 1928, The Providence Journal-Bulletin carried 488,114 individual classified advertisements, or more than 95 per cent of the total carried by all Providence newspapers.

This almost unanimous preference by this class of shrewd buyers is proof positive of the pulling power of the Journal-Bulletin.



Providence Journal Company Providence, R. I.

Representatives

CHAS. H. EDDY CO.
Boston NEW YORK Chicago

R. J. BIDWELL CO.
Los Angeles San Francisco Seattle

Facts Uncovered in the Louisville Grocery Survey

(Continued from page 562)

All of the money which is tied up in dead and inactive stocks is withdrawn from profitable employment; but it takes its wages, just the same. It raises operating costs that are figured in percentages and included in the markups to raise price levels. Too high a price—too much added to the intrinsic cost of the merchandise to pay for needless, ineffective services—slows up the sale of even the acceptable items. So the manufacturer is required to put extra, unprofitable selling effort behind the goods to prevent overproduction, in order that he may hold on to the low production costs which quantity manufacture permits.

The Crux of the Situation

All of these avoidable excesses arise from lack of knowledge of what the consumer requires, in quantities, when and where. If that were known, retailer, wholesaler, manufacturer could each figure out what effort and expense was justified to supply the market. Goods would flow faster, in steady, dependable movement and all those concerned could be better paid for their services while selling at a lower level. All these stoppages entail waste that benefits no one while the goods stand on the shelf.

When this survey began there were thirty retailers a month on the average going out of business in Louisville, for no other reason than disorderly methods and ill-advised investments.

These failures took a toll from the real estate interests of Louisville. They represented 30 per cent mortality. They all contributed distressed merchandise liquidated at sacrifice prices. Distress merchandise always breaks legitimate price bases. Bankers can say how far these losses extended, if they would trace them on individual balance sheets.

This dissipation of the resources of Louisville merely contributed its part to the total of resources similarly dissipated elsewhere.

The reclamation of these needless dissipations will do a lot for Louisville. They can do much for the country; not only in the grocery business but in all other retail businesses where precisely the same things are going on in terms of different commodities.

As a major phase of the Louisville Grocery Survey a complete census of

food distribution has been undertaken for the combined area of Louisville, Kentucky, Jeffersonville, Indiana, and New Albany, Indiana. The enumeration is being conducted by the Bureau of the Census, U. S. Department of Commerce, under the immediate supervision of Samuel W. Wood, cooperating with the Distribution Census Committee of the Louisville Grocery Survey which is issuing the preliminary report. When finally completed the census will have covered every food outlet in the area, including restaurants and hotels. Many changes have been made in the schedule used for the present census from that used in the trial census taken in 1927 in eleven cities. A breakdown of grocery commodities and an itemization of expense details are significant improvements in the schedule.

The following summary is based on returns from 662 unit retail establishments with a retail sales volume of food products and allied lines amounting to \$9,100,546. It is estimated that the complete report will include returns from more than 2,000 establishments. This summary points out only a few of the many facts available from these figures.

Sixteen Classes of Business

In order to secure a picture of food distribution it has been necessary to cover sixteen classes of retail business as follows: bakeries, candy and confectionery, dairy and poultry products, delicatessens, drug stores, grocery and meat stores, hay, grain and feed stores, hotels, restaurants and lunch rooms, meat stores, ice cream and soft drink stores and pool rooms.

The 662 stores covered showed 717 firm members and proprietors and 1,015 employees, making a total of 1,742 persons engaged. Salaries and wages amounted to \$691,351, while other operating expenses totaled \$651,473. Total expenses were thus \$1,342,824 on a sales volume of \$9,100,546 or 14.7 per cent. The total inventory of these 662 stores at the end of the year amounted to \$510,493.

Table A on page 561 shows certain items by size of establishment for grocery and grocery and meat stores only. It will be noted that seventy-nine of these stores, or 23 per cent of the total number, did less than \$5,000 annual sales. The average volume of sales for these seventy-nine stores was

\$2,678 per year, which is equal to approximately \$51 per week or less than \$9 per day.

There is also included a second tabulation, Table B, showing total sales by classes of commodities for all 662 outlets and for the 345 grocery and grocery and meat outlets.

This table shows a sub-total of the five classes of commodities usually handled by wholesale grocers, together with a total for all food outlets and a grand total. Out of the \$8,962,270 of food items for all outlets \$3,941,462, or approximately 43.9 per cent, were in the five classes usually handled by wholesale grocers. The corresponding percentage for grocery and meat stores was 42.1 per cent.

Of the total sales of these 662 outlets \$4,060,810, or 44.6 per cent, were on credit. For the 345 grocery and meat outlets, 62.4 per cent of the sales were on credit.

Three-Quarters in Coffee

The wholesaler selected for the above study has a volume of about \$500,000, three-quarters in coffee, the rest in specialties—some 500 items, chiefly canned fruits and vegetables and spices. A third of his business is in Louisville and Jeffersonville and New Albany, Indiana, the remaining two-thirds being in the country outside. Of the specialty business 75 per cent is in Louisville.

This rough statistical summary is about all the average wholesaler has concerning his distribution. To secure regrouping by customer, town, county, state and again by commodity, resort was had to mechanical tabulation, the results of which in the form of charts may be seen in the survey headquarters, Martin Brown Building, Louisville, illustrating how the details of each invoice were transferred to cards for classification and identification. From the mass of information thus obtained a few typical tables have been prepared as specimens of what can be done with it.

One tabulation showing sales volume outside Louisville and its environs, classified into customer groups on the basis of annual purchases, discloses the fact that 82 per cent of the business comes from 39 per cent of the customers, those whose purchases exceed \$100. Those who buy less account for 61 per cent and supply only 18 per cent of the volume.

A further breakdown by size of individual orders finds that 81 per cent of total volume is from 51 per cent of all orders, those over \$50 each.

Analysis of distribution by counties shows 44 per cent in the three counties, which include Louisville, Jeffer-

sonville and New Albany. The rest is scattered through eleven states. Salesmen operate in 120 out of 151 counties in Kentucky and Indiana. Kentucky and southern Indiana account for 70 per cent of total business, eastern Tennessee and western North Carolina for 15 per cent, West Virginia for 8 per cent.

The commodity analysis shows distribution of coffee by sixteen blends and twenty-eight brands of sales aggregating \$77,032.93 on orders numbering 3,128. Four blends under nine brands account for 88 per cent of the total. In package coffee five blends are responsible for 80 per cent of county sales of package coffee.

The survey of retail stores is at present confined to twenty-eight, representing every locality and type in Louisville, ranging from a volume of \$2,500 to \$100,000, and from cash-and-carry stores to complete-service institutions. One typical store with a two months' volume of \$9,265.92 does 56.4 per cent of its business in bread and bakery products, meats and provisions, dairy products and fresh fruits and vegetables. The average ratio sold on credit is 56.8 per cent. Comparison of credit sales by commodity groups of two retailers shows few important percentage differences in major items.

Interesting Tables

Of special interest are tables giving two months' purchases and sales by individual dealers of specified breakfast foods, together with gross margin, each item being marked. Another compilation gives the two months' movement in soap stock, showing for each kind the amount on hand at the beginning and end of the inventory, the purchases, the sales and the yearly turnover.

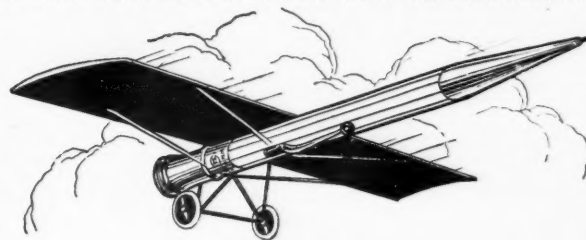
The object of the survey is to show the retailer how to be a merchant rather than a shopkeeper. The former, remark the authors of the survey, controls his operations by attracting customers who respond to his intelligent services; the latter sits in his store and fills requisitions as they come in.

"If he is a merchant he must serve a definite market. How large a market?

"He should know how many others are striving to serve these same people, what they offer, at which prices and in what quantities of each quality.

"He should know how successfully they appeal to these consumers whom he is trying to attract.

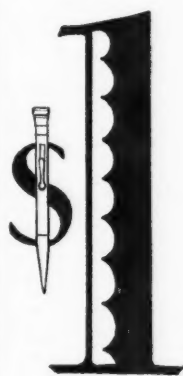
"In simple words, he must know what he is shooting at, and if his gun is the right calibre and his shot the right size to carry the distance."



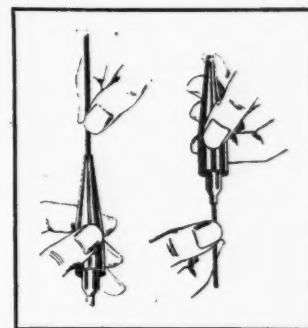
SEND DUR-O-LITE "AMBER JACK"

Reg. U. S. Pat. Off.

as your
Good Will
Ambassador



Locked
Lead
Chamber



Loads at either end of tip

ENDURANCE is the greatest test of Friendship. Endurance, built in every Dur-O-Lite "Amber Jack", makes it the ideal Good Will Pencil for Advertising and Sales Promotion work. "Amber Jack" has the appearance—the thoroughbred look—which wins it instant attention. It makes friends on sight. Men no sooner see it than they want to WRITE with it. And when they take it in their hands and feel its perfect balance—the writing ease that marks every "Amber Jack"—ENDURING FRIENDSHIPS are begun. You can be sure of the welcome that "Amber Jack", as YOUR gift, will receive—on the desks of busy executives—in the hands of men who sign orders.

Dur-O-Lite Pencil Company
4541 Ravenswood Ave. Chicago, Ill.

Eastern Sales Office: 26 Cortlandt St., New York Western States Representatives: A. L. Jones, Inc., San Francisco

This
Coupon
for Your
Convenience

DUR-O-LITE PENCIL CO.,
4541 Ravenswood Ave., Chicago

Please send us complete information concerning Dur-O-Lite "Amber Jack" as a help to Sales Organizations.

Name

Address

City

State

Attention of

An Outline of Mergers

(Continued from page 558)

Take Cavanagh-Dobbs, Inc., as another illustration. This concern is a holding company for Dobbs & Company, the Streb Company, the Crown Quality Company, the Crofut & Knapp Company and the Hodshon Company. Hodshon previously absorbed Sunfast Hats, Inc., and John Cavanagh, Ltd. Among them, these outfits produce pretty nearly everything in human headgear. Dobbs & Company is the retailer of the bunch. The Streb Company purchases and cuts the fur required in making hats. Thus Cavanagh-Dobbs, Inc., comes pretty close to being a self-sustaining enterprise.

Forces More Combines

Combines such as this cause competitors to get together and form other mergers, to control their own raw materials and to establish retail outlets of their own. The men's wear trade is seething with activity of this sort at present. Hat manufacturers start a few retail stores. Finding that hats alone are not enough to sell, they add men's haberdashery and perhaps some women's apparel. This antagonizes men's furnishings stores, which may have been handling that line of men's hats. They throw out that brand of hats and start a war on the hat manufacturers' retail stores. In this way competition is piled on competition without end.

The same thing is happening in the oil business. The Vacuum Oil Company was originally a Standard Oil unit. When the Government unscrambled that combination in 1911, Vacuum continued to sell its oil through its old Standard associates, as well as through the independent filling station trade. Gradually, though, the Standard companies began to adopt full lines, including lubricating oils. They gave their own oils the "gas" and took their feet off the Vacuum accelerator. For a while Vacuum did not worry. It had the oil that motorists were demanding. It had the support of hundreds of thousands of independent oil stations. Finally, though, Standard and other filling station chains began to hurt the independents. Vacuum saw that it was time to do something. So it is going into the retail chain business itself, not only carrying Mobiloil, but also gas and the other "fillings." Another example of how full-line marketing is increasing competition.

We could find several more illus-

trations in that same industry. The breaking down of the exclusive territories that the Standard companies once enjoyed and the invasion of these "exclusive" districts by other Standard units is adding immensely to filling station competition in a large area of the United States. The fact that the tire companies are being forced into retailing and most likely will have to handle gas and oil is another instance of competition growth. Undoubtedly the filling stations will retaliate by adding tires to their stocks.

The union of the American Radiator Company and the Standard Sanitary Manufacturing Company is another full-line development. It will undoubtedly bring about other similar amalgamations in the industry, the net result of which is that there will be more powerful competition in the business than there was before.

The business of film production and exhibition is mainly in the control of five combinations—Fox, Warner, Paramount, Loew and Radio-Keith-Orpheum. As this is written a merger of Fox and Loew is under way. The competition among these concerns is frightful. All of them are out constantly trying to purchase some new enterprise. In reality they are running a general store of amusements. Each company is afraid the other will get some line of amusement goods into its store before the rest discover where the line was obtained.

Biggest "General Store"

Radio Corporation has the biggest general store of the lot. Poor Dave Sarnoff, the general manager, certainly has his hands full. He is one of the most able executives in the world today, but he has more to do than Mussolini. If the company adds any more side shows, Heaven only knows when Dave will find time to sleep or eat.

Another weakness in mergers is that they are not always sufficiently mobile. It takes a gigantic, inelastic organization too long to adjust itself to the rapidly changing conditions that characterize present-day business. The demand for an article may rise and fall before a giant consolidation can act on it. This explains why it is in quantity-production fields that mergers do best. In lines where Fashion rules, the highly ramified, slow-moving business organization has difficulty competing with the fast-stepping specialist.

It is not without significance that

the Atwater Kent Manufacturing Works is the greatest single success among radio set manufacturers. From the very beginning of his career Mr. Kent has kept himself free of entangling outside alliances. He is beholden neither to bankers nor stockholders. If he decides to bring out a new model in the midst of the busy season and begins tearing his factory to pieces, he has to consult no one but his own judgment. Radio is one of the fastest "evolving" businesses the world has ever known. Those concerns in it that had to resort to the initiative and referendum every time they wished to make a move were out of luck.

Mergers and Fashion

It does not augur well for the peace and well-being of mergers that the fashion influence is creeping into numerous fields that formerly were free from it. One would not suppose that the machine-tool industry would have to bother about fashion. But it does. The Niles-Bement-Pond Company, for example, has a general line of machine tools, including planers, lathes, boring mills, etc. The company suffers intense selling competition from the specialists in its field. On planers, it receives strong rivalry from the Cincinnati Planer Company, the Liberty Machine Company and other houses in that particular field. On lathes it is up against Lodge & Shipley competition. On milling machines it has to fight the Ingersoll Milling Machine Company. On cranes it had until recently a strong contestant in the Shepard Electric Crane & Hoist Company. That department of Niles' business merged with Shepard not long ago.

Niles-Bement-Pond Company is supreme on heavy stuff, such as railroad machinery. It is supreme here really because it specializes on this line. The cost of designing heavy machinery is large. Niles has standardized designs and thus any newcomer in this line is beaten before he starts.

On the smaller machines the specialists in that line put out new designs constantly. Niles, on the other hand, largely because of its size, sticks to the old designs. Then, too, when Niles does stop to redesign a machine, it is out of that market for several months. The small companies are never out of the market, because by constantly changing their designs they anticipate future design requirements and are ready to make the jump when the time comes.

The Cluett, Peabody Company has always been handicapped by its size.

Collars are a style product, and it is dangerous to turn them out on a quantity-production basis. The company may have several styles that can be manufactured in quantities. But it should also be geared up in a production way so that it could continually be experimenting with new numbers. If an occasional new style went over big it could be turned over to the mass-production department.

Because it was not equipped for experiments, Cluett, Peabody lost one of the choicest opportunities that ever walked into the collar business—the chance to buy the Van Heusen patent. Van Heusen peddled his invention all over Troy and finally sold it to a shirt house in New York City—the Phillips-Jones Corporation.

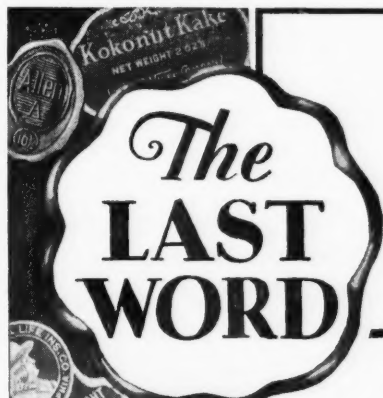
There are a number of reasons why the American Woolen Company has never justified the hopes that were once held out for it. One of the principal reasons is that the company is in a style business, or at least it has become a style field since the corporation was organized. It is a significant fact that the small operator invariably does best in a style market. The big operator has to run on a large scale or not at all. The small operator can accommodate his run to the size of his orders.

Busy on Fancy Goods

Recently there has been much talk in textile circles about a small woolen mill in New England. It had not made any headway in several years. It had always been trying to operate at capacity. New management came in about three years ago. Immediately the mill's excess looms were banked down and a hundred looms were kept busy night and day on fancy style goods. The mill has made money ever since.

A few months ago the newspapers told of a suit of the United States Steel Corporation against the Bethlehem Steel Corporation. It concerned a structural steel patent which Bethlehem owns. The United States had a chance to buy that patent once. It turned it down. The inventor later sold it in Germany. There, Charles Schwab saw it and bought it for Bethlehem. It is today one of the most popular kinks in the steel business. United States Steel was too inelastic to take advantage of a good idea.

Practically all of the industries that have not been prospering in recent years are in fundamental lines, mostly commodities, such as agricultural products, wool, cotton, coal, etc. This is due, in part, to the fact that it is difficult to specialize a commodity business. (Continued on page 590)



The LAST WORD

*—and how to
make it Stick*

IF you have a last word to say to the consumer who opens the package containing your product—if you have a last impression of quality and distinction to convey—use a gummed seal or a gummed label. Your message will stick with your product because it sticks to it, literally like the paper to the wall.

Whatever else you may have said before, in publications, in posters, on the air, by mail, in windows or on counters, the gummed label offers you a chance to say a final word to the actual user in the very presence of your product itself.

Choose, then a label as distinguished as your product. Dennison gummed seals and labels are made with that perfect skill that comes only with decades of performance. They are used by the million in great American firms. As package-seals, as trade-mark labels, as direction and guarantee labels they are charged with the responsibility of saying the important last word for hundreds of famous products and they stick to their task until that word is said.

If you would like to see some of the gummed seals and labels now being used by prominent national advertisers we shall be glad to send you a sample packet. It is free. The coupon below will bring it. Or simply tear out the lower part of this advertisement and send it to us, pinned to your business card or letterhead.

Dennison's Gummed Labels

The Dennison Manufacturing Co., Dept. 69-C, Framingham, Mass.

Please send me
without obligation a packet
of samples of
Dennison's
Gummed Seals.

Name.....
Firm.....
Address.....

Curtiss Plane Delivers Candy Samples Via Parachute

(Continued from page 555)

As mentioned, Captain Speer has been engaged in airplane sales promotion work for the Curtiss Candy Company for five years. He has been called the "world's original flying salesman." His program of work is not at all haphazard. After a series of shorter air-advertising tours he started in June, 1927, on a systematic sales tour of the entire United States, planning to stop at every city and town with a suitable landing field. He has visited about thirty states, and expects to complete his tour by June, 1929. His tour is adapted to climatic conditions. For example, during the present winter months he is at work in Texas and the southwestern states and along the Pacific Coast.

His work is a great deal more than mere stunt flying. His weeks are carefully scheduled ahead. He is preceded three or four days by an advance man in an automobile. This advance man visits the Baby Ruth jobbers, and warms up the town through newspapers, posters and other forms of publicity, announcing a definite schedule of flights for the Baby Ruth airplane.

Delivers Fresh Stock Sometimes

Then Captain Speer comes. Sometimes he is accompanied by one or two company officials, taking advantage of an opportunity to save time in attending an important meeting or in jumping from one sales center to another. Frequently he is accompanied by his wife, who may assist him in the scattering of his parachute candy bars. His airplane is often loaded with Baby Ruth candy or gum, for a hurry-up delivery of fresh stock to the local jobber.

Having landed, the Curtiss Company's aviator visits the local jobber, gets in his selling talk on follow-up sales possibilities as a result of the airplane flights. He plans with the jobber the details of his air flights over different residential portions of the city, but never over business sections.

If the town is fairly large, Captain Speer may remain several days, and each day he may make several scheduled flights. On each flight he will usually drop from 300 to 500 packages. Each package includes a little canvas bag containing either a Baby Ruth bar or package of gum. The little paper parachute that is attached has been perfected after long experi-

mentation, and has been constructed with so much care that there is no record of the slightest injury from the dropping of hundreds of thousands of packages from heights averaging from 1,500 to 2,000 feet.

Supplementing these flights over different residential portions of the city, a circuit of nearby smaller towns is usually made. In a continuation of

Fashion: An Accurate Forecast, Not a Gamble

(Continued from page 551)

cessful in making his product "fashion-right," then he must make it "talk fashion." He must broadcast the news and the facts of the fashion story that is told by the different items in his line. He must educate his salesmen about those fashion points which will help the retailer sell. He must provide the retailer constantly with fashion news about his product, so authentic and so interesting that its use by him—in advertising, window display, fashion shows and over the counter—will increase the purchases of old customers and gain the regular patronage of the new ones. This last step is most important of all. All the correct style, all the fashion copy and art work are of no value to either manufacturer or retailer, if the salesgirl, after the customer reaches the counter, does not convince the customer of the desirability of the product so that a sale is made. The customer is constantly asking the salesgirl for fashion information and advice. Progressive manufacturers have developed extensive fashion education programs, directed by specialists, which provide style books and charts, fashion news bulletins and fashion merchandising services for store executives and salespeople and conduct fashion shows in stores, clubs and schools demonstrating the fashion points of their products.

And does this increase sales? A retailer carrying eight brands decided to eliminate five, concentrating on three. One of these three brands was chosen expressly because its manufacturer provided fashion merchandising help for the retailer's executives and salespeople which helped move goods off his shelves, increased his turnover and

his trip toward the next city or town with a landing field, Captain Speer arranges to pass over as many as possible of the smaller towns along the way. Each of these smaller towns has already been placarded ahead, and he will circle each town several times and drop enough packages of candy bars and gum so that a large percentage of the small boys and girls will have an opportunity to get one—and they are all on hand for the flight.

The follow-up sales reports from such cities and towns usually indicate very profitable business. For the coming of the airplane has made Baby Ruth a very live topic of local conversation.

net profits and brought him desirable customers. A buyer writes, "Our business has shown a wonderful increase. The fashion education has helped a great deal in bringing about this increase and we appreciate and use all of the style information sent us." A sales promotion director writes, "We use the fashion bulletins in our style alertness meetings." The buyer in this store said she based her orders on the color recommendations in these bulletins. A training director writes, "Thank you for adding my name to your mailing list in order to receive future bulletins. I find that work done by specialists can be of great value to us in sales promotion."

Store stylists write saying that they use manufacturers' fashion information in planning and presenting their fashion shows, in advising customers about correct choices of costumes and accessories and in style meetings with buyers and salespeople. Whether the store stylists are attached to the merchandise division or to the sales promotion division, theirs is the important responsibility of disseminating fashion information to the store staff which will help increase sales. Exercising, as they do, a powerful influence in favor of fashion-right merchandise, it behooves the manufacturer to keep them constantly posted on the fashion news and facts about his product.

Joins Royal Tailors

M. K. Grey has been placed in charge of sales promotion of the Royal Tailors, with headquarters in Chicago. He has been an executive in the Chicago office of Lord & Thomas and Logan.

In Defense of the Public Faith in Advertising

(Continued from page 564)

beyond the reach of any single individual, or any single group of interests. The exercise of conscientious scruples on the part of any one interest will simply result in depriving itself of revenue, while it will not in the least deprive the dishonest or careless advertiser from reaching the public mind and abusing its confidence.

The Only Practicable Way

Events of the past two years have only intensified our belief that the only practicable way in which the situation can be met is through an organization that is representative of and responsible to all of the various interests concerned, just as the A. B. C. is representative of advertisers, agencies and publishers. Call it what you will: Audit Bureau of Advertising, Board of Advertising Review, or even Bureau of Censorship. The important thing is that it should be broadly representative; that it should have the facilities and the power to pass upon current advertising; to test its claims and pretensions from the standpoint of actual knowledge of the facts; and to issue reports and warnings to advertisers, publishers and agents.

In the International Advertising Association we already have an organization that is broadly representative of all the interests involved, and an organization that is already definitely pledged in advance to the promotion of Truth in Advertising. It has rendered notable service to the cause of honest advertising in times past, and has a prestige which can only be obtained at the cost of years of effort. We believe that the I. A. A. can readily command the confidence of advertisers, agents and publishers, and can win their cooperation to a degree that would not be possible with the idea of "outside censorship." We are pledging our support and cooperation to the association with full confidence that acceptance of our suggestion will be productive of something more effective than high-sounding resolutions and good intentions.

Geyer Opens in New York

The Geyer Company, advertising agency of Dayton, has opened a New York office. Temporary quarters will be located in the Grand Central Terminal until May 1, when the office will be moved to the New York Central Building, Park Avenue and Forty-fifth Street. The office will be in charge of Philip Kirby.

An Advertising Man of Ability

THE furniture in your office—the very chair you now occupy—may very possibly have been purchased as the result of this man's printed sales ability.

This also applies to the duplicating machine you use—to articles in your home—to sparkling beverages served your guests and other good things to eat and drink—to the air hose used to inflate the tires of your car, and the pump that fills its tank with gasoline—as well as still other mechanical products, machinery and tools.

Sixteen years experience as agency copy writer and advertising manager for manufacturers of national standing, thoroughly qualifies him to plan and execute every step of publicity, sales promotion, dealer helps, direct mail, and advertisements—as specimens of his work will demonstrate.

He is married, thirty-eight years of age, and his character, industry, education and personality are such as to harmonize with your organization.

As our own copy department is adequate, and we know of no immediate opening elsewhere, we take this means of recommending this man's services to any firm interested.

He is now drawing \$5,000 and fully earning it, but for valid reasons seeks a connection offering a better future.

W. F. DUNLAP, *President*

Klau-Van Pietersom-Dunlap-Younggreen, Inc.

Advertising—Merchandising

MILWAUKEE, WIS.

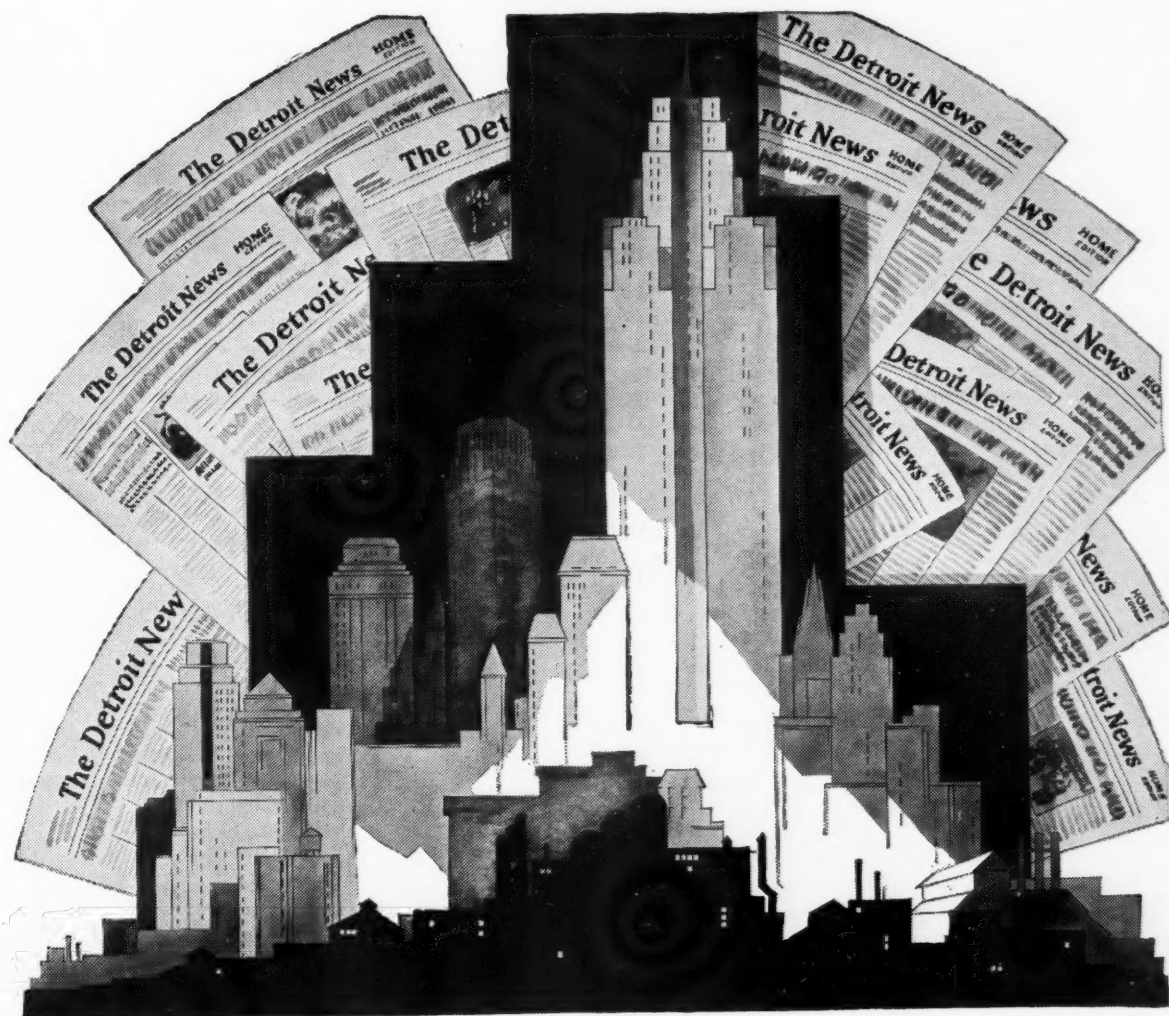
“WIFE”

BUYING POWER SUSTAINED: The figures of the Census of Manufactures for 1927, just given out, tell a good deal about the industrial conditions that distinguished that year, a dull one following a bright one. Compared with 1925, the previous census year, the number of establishments was increased 2.5 per cent, the average employment was decreased 0.4 per cent though total wages were 1.1 per cent higher, the value of products was cut 0.2 per cent, while the value added to material by manufacture rose nearly 3 per cent. In other words, labor got slightly more and capital less. There is no evidence of any curtailment in volume of output, the loss in dollar measurement being due to lower prices. That is to say, the margin of profit was scaled down. This explains probably why, though from a business point of view 1927 was not very brilliant in the galaxy that makes the present era of prosperity resplendent, consumptive demand was not checked. The unimpaired buying power of the masses was able to keep the wheels turning. If the census was taken every year instead of every other year we should undoubtedly have learned that 1926 surpassed both 1925 and 1927 in all items mentioned. Judging from many of the annual reports of corporations which have come to hand in the last few weeks, 1928 was a much more profitable year than 1927; and the beginning of 1929 is good enough to justify expectation of new records of progress in the current year. When, therefore, we now see how well 1927 stood up on the whole, in spite of complaints heard while it was unfolding, we can the better realize what is going on today, and make sure that we are not missing our opportunities by undervaluing them. Complaint is sometimes heard that government reports are so far behind the events of the present as to render their data valuable only from a historical point of view. This is a mistake. Dealt with relatively and in the light of known factors at the battle front, the manufactures' census records have high practical use.

COMPETITION STILL WHOLESOME: On top of a gain of 9 per cent in cigarette production last year we begin 1929 with an output in January of 10,160,262,683, the second largest for any month in history and exceeding that of January, 1928, by no less than 21 per cent. Apparently the demand for cigarettes is limitless. When we reached close to one hundred billion two years ago the statistical record, reduced to a per capita basis, suggested an approach to something like saturation. Excluding infants and persons physically incapable of smoking, it seemed that we must be verging on the limits of human capacity for consumption. But, as has proved to be true in many cases, the statistical indices were un-

reliable. Production continued to climb faster than ever, if anything, and judging from present appearances the end is still out of sight. The volume seems to depend primarily on the amount of competition. As long as the "Big Three" controlled the situation progress conformed pretty closely to population growth. With the appearance of a fourth Richmond in the field this limitation disappeared. Old Gold, according to accepted reports, attained a sale of ten billion last year, but as far as is now known, the older brands were not adversely affected. The additional sales pressure merely extended the market. With the era of great corporations and mergers the old phrase, competition is the life of trade, has tended to fall into disrepute, giving place to the more modern idea that economic necessity, parent of mass production, is the controlling factor. The Lorillard Company's success in taking a place in the sun illustrates the truth of both ideas,—the old and the new—a mass producer, it has vindicated rather than discredited the stimulating effect of brisk competition. The effect of the loud crying of rival wares has been to encourage public interest and indulgence to such an extent as to make us wonder how we ever got along with only three very popular brands and less than a round hundred billion of cigarettes a year.

PRICE STABILIZATION: To the average man announcement that the United States Steel Corporation is to take up a quarter of a billion or more bonds with new stock is only another example of the titanic operations of modern finance. To those whose memories go back to the origin of the corporation the conversion is significant of a new order. At that time steel was going abegging at \$10 a share. It was all "water": not even the preferred had full value behind it. And Andrew Carnegie, credited with more than average shrewdness, would have nothing but bonds for the properties that were taken from him to make up the "steel trust." What has happened in the intervening twenty-five years to cause so marked a readjustment of values? Other corporations have expanded mightily in less time, responding to the impulses of general prosperity. The Steel corporation has gone forward steadily as the greatest salesman of iron products in the world, at a fair price. J. P. Morgan, senior, established it for that purpose. He believed that the great basic industry should be put on a stable footing. He believed it should hold an even level of moderate prices. He did not worry about the small margin of profits which most steel men denounce in season and out. He believed that in a growing country, solidly established, an industry must make money if it took no advantage of its customers and did business on reasonable terms. He believed that any industry which put itself in the current of American progress and persistently sold its products on the basis of good value would grow in wealth and power. The Steel corporation has not deviated from that policy since its inception, and it has prospered accordingly, as Mr. Morgan foresaw.



DETROIT..THE 4th CITY

CAN BE COVERED BY ONE NEWSPAPER

Sales and advertising managers, here is a market that challenges your best efforts. Here is America's fourth city with employment at peak, and conditions ideal for the spring sales drive, and here you can employ dominating space economically, for you need only one newspaper to do the job. One of America's greatest chain store executives has said that where one newspaper covers two-thirds of a community, it alone, is capable of delivering the sales message to the whole community. But here in Detroit The News reaches 82% of all homes taking any English newspaper. Furthermore, The News is the home newspaper carrying the advertising news of the community on which the home purchasing agent depends to do her marketing. Proof of Detroit News coverage lies in its having been for 15 successive years either first, second, or third in advertising in America.

The Detroit News

The HOME newspaper

New York Office
I. A. KLEIN, 50 East 42nd St.

Chicago Office
J. E. LUTZ, 6 No. Michigan

The Salesman and His "Oats"

(Continued from page 560)

to sell these goods by extra inducements. This is all right as far as it goes, but in selling the executive in charge of sales of a substantial business must realize that there are two sides to every sale: One side is that of the seller and the other, and I think a more important side, is that of the buyer.

Now, if these sales arrangements are so adjusted that the salesman is constantly working against the interests of the buyer, I think it reflects on the house. Nothing is truer in business than that for any manufacturer or jobber to be successful his customers must be successful also. I have known some very large merchants who never seemed to be aware of this fact, but, on the other hand, as the years have passed, and as I have studied business, I have seen whole lines of business go wrong, because the conditions in this line of business were wrong, and these conditions were brought about by the fact that the large sellers did not watch the effect of their selling policies upon the prosperity of their customers. Anything that is done in selling that is against the interests of the buyer is destructive of business, and, in the long run, like a boomerang, will react upon the seller.

Relic of the Dark Ages

The old idea that the interests of the buyer and the seller are opposed, and that they are natural enemies, belongs to the Dark Ages. A seller who overcharges his customer not only strangles present business, but is building up competition for the future. A buyer who attempts to buy all of the profit out of a line of goods is not only destroying his source of supply, but invariably will destroy his market, and will put the market in a condition where he will not make any profit on the goods he has bought. These things work out so simply and directly that it seems almost foolish to write about them.

A manufacturer I once knew was having great difficulty in keeping his head above water. He fell into the hands of a large jobber. This jobber knowingly hammered him down in his prices until the manufacturer went into the hands of a receiver. The receiver, without any dividends to pay, without any interest to pay on bonds, went out into the market and sold other jobbers and retailers and so destroyed the market for the jobber who had bought the goods so cheaply. In

any line of business, when a number of concerns are hanging on the edge of bankruptcy, this line of business is invariably demoralized for everybody. There is no worse competitor than a bankrupt one. In selling his goods he is not governed by rhyme or reason. He is simply governed by dire necessity and necessity knows no law.

One must be closely and actively associated in business over a long period of years in order to get the right perspective on business problems. As the years pass, cause and effect work to their natural conclusion. A young inexperienced business man, if he takes advantage of a buyer or a seller, thinks he is smart. He has turned a good trick. The experienced business man, when he sizes up the same transaction, knows its folly, and a present unfair advantage usually collects its toll in the future many times over.

Customers' Welfare

The point I am driving at is that in all deals which are made in hiring salesmen the customer must not be forgotten. If your deal with your salesmen is such that your customers must suffer, then it is a bad deal. The only wise merchant in my opinion—be he manufacturer, jobber or retailer—is the merchant who thinks about the welfare of his customers.

I could cite endless cases along this line. Let me refer to one that stands out prominently in my mind. A certain young man inherited a considerable sum of money. He had not been trained as a business man. He was not fit to run a business. He came to a jobbing house to buy a new stock order. The young fellow did not know anything about business. The salesman of this house not only sold him more goods of certain kinds (profitable goods to the jobber) than he needed, but also charged him exorbitant prices.

After the sale was made this salesman patted himself on the back. He had found a "sucker," and he had "loaded him up right." The sale of this opening stock helped that salesman to receive a good deal of extra compensation at the end of the year. Everything was lovely, but what happened three years later? This young fellow and his money lasted just that long. When he failed, he stuck our salesman and our house for some \$12,000. At the end of that year our smart salesman did not receive any extra compensation. The head of the house called his attention to the heavy

loss sustained. How much better it would have been not to have sold this young fellow at all, or to have sold him so that he would have stood a chance to succeed.

I write about such things simply because I have seen so much of them. Time after time, I have known opening stocks to be sold when it was a hundred-to-one bet that the man going into business could not succeed. I could tell story after story of such cases, when failure was absolutely foreordained on the day of buying the opening stock. Some business men laugh at the law of cause and effect. As I review the past years, it seems to me this law works religiously.

Let me take up one other business that I watched and studied. This business was run by a very good merchant. He always kept salaries, including his own, down to a reasonable basis. For years the business was successful, and supported many families in comfort, if not in luxury. The old gentleman died, and several sons took over the business. They built up around them a clique of favorites. Then they proceeded to pay themselves salaries out of all proportion to the earnings of the business. They also paid their favorites fancy salaries.

Everything Was Lost

Everything was lovely for a while, but one day the bubble burst. This business had supported families for several generations. The sons, with reasonable management, and their sons after them could have been supported by this business. Everything was lost, and the business was ruined by extravagant management. The simple law of cause and effect operated against them.

Therefore, I have always claimed that in fixing salesmen's salaries it should be on some basis that is adjustable—a basis that is pliable and a basis that will pay good salaries in good years and will not pay good salaries when they are not earned. An adjustment is made in factories by employing more people at certain fixed rates in good times and reducing the force of employes in bad times. Another method of adjustment in factories is shortening the working week. It stands to reason that when the factory is working with a reduced force, or a reduced number of days, that the salesmen who cannot sell the goods to keep that factory busy should not be receiving the same salaries they have received in prosperous times.

Back of this reasoning is the fundamental law that: Most of us adjust our standard of living to our salaries. As salaries advance, we advance our cost. Fashion Magazine in Modern Distribu-

in one of our financial journals, in which the author advocated that workers should spend their entire salaries. This financial writer stated that our prosperity in recent years had been brought about because the people had become extravagant, and were great spenders. His argument was that a man could insure his life and take care of his family, even if he did not save any money.

Fundamentally, this particular article was one of the most foolish I have ever read. Every man should build up a surplus, and a surplus can only be created by saving; in other words, by not spending every cent made. When salesmen work on large fixed salaries they are disposed to spend all they earn. If they receive a fixed salary and some kind of a bonus arrangement, frequently they have not dared to bring up their standard of living to the salary plus the bonus, and the bonus is extra money which may be invested. I know from my own experience as a salesman that for many years the only money I ever saved was my bonus, but I am glad to say that I saved all of it.

I adjusted my living expenses to my fixed salary, and I always feel grateful to the wise managers of those businesses who placed me on a profit-sharing basis. It did two things: It gave me an incentive to work hard and use my head in increasing my sales, and at the same time when I received my compensation it came to me in a lump, which was the basis of a surplus that gave me an opportunity to go into business on my own account when the time came.

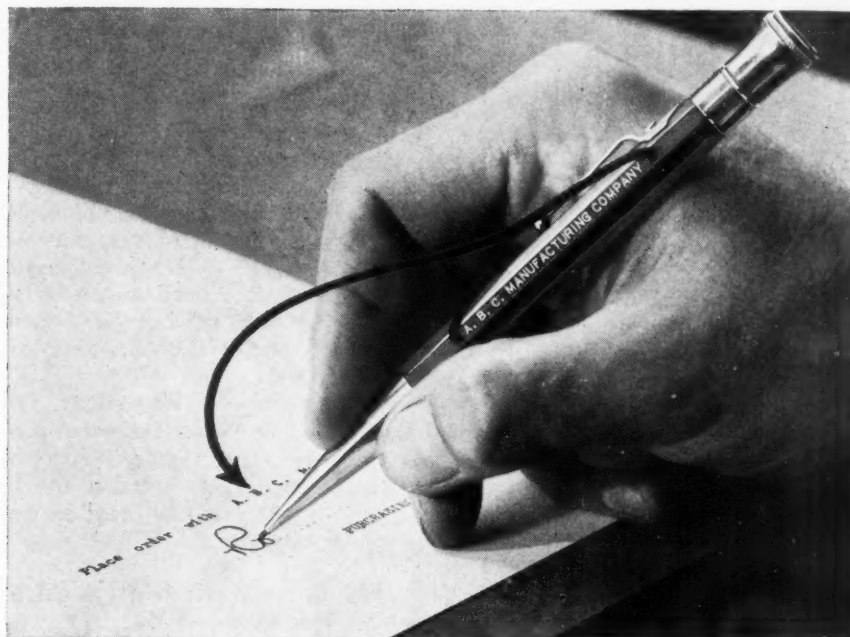
Just Inquiries—or Inquiries That Yield Sales

(Continued from page 554)

harder and harder to secure. It is more difficult to sell advertising. That is because the selling is largely claim and boast and assertion, backed up with pretty artwork and tape-worm borders; with handsome dummies and clever layouts. The same effort devoted to securing cost and profit figures would win new business faster than it can be cared for. That is not an idle statement, but one backed by experience.

The way to make direct-mail increasingly effective is to know what you want to do and then know whether you are doing it.

The Neon Specialty & Manufacturing Company, Seattle, manufacturers of luminous signs, have purchased the Seattle Radio Manufacturing Company.



Your ad on the pencil that writes the orders



Over-
size
Model
\$1.00

3 Reasons for Preference

- 1 Cannot "jam"—protected by patent. But one simple moving part. Nothing to go wrong. No repairs.
- 2 Bakelite barrel, beautiful onyx-like, lightweight material.
- 3 Perfect balance—not "top-heavy."

Autopoint

The "Better Pencil" Made of Bakelite

AUTOPOINT COMPANY
4619 Ravenswood Ave. Chicago, Ill.

Don't waste a single one of your ads

MAKE every advertisement pay for itself. Don't let one be wasted. Then have 100% advertising efficiency.

Perhaps such fine-combed advertising appears a little more expensive in the first place. Actually it is not in the long run. No one can close orders by advertising as inexpensively as Autopoint can.

Free Offer to Executives

Let Autopoint become a sales-auxiliary to your advertising program. Have your salesmen put these attractive, useful advertise-

ments in every prospect's hands—on the desk of every customer.

Eliminate those that do not count—advertise to those that do. Your pencil will be the one that signs the orders. Your ad will be before him as he does. You get your share of business.

OFFER TO EXECUTIVES ONLY: Send the coupon for free sample Autopoint to learn what a fine impression it makes. Full particulars, business-building plans, price-lists etc., will be sent free.

Attach business card or
letterhead

For Executives
Only

AUTOPOINT COMPANY
4619 Ravenswood Ave., Chicago, Ill.

Without obligation, please send sample
Autopoint, booklet, sales-building proposition,
prices, etc. SM3-9-29

Name.....

Firm.....

Title.....

Address.....

The Sales Managers' Bookshelf

(Continued from page 568)

But even in Paris there are no dictators of styles—just acknowledged masters of line, design and color, who guess (like anyone else) what style will be. Mr. Roberts says that automobiles have been largely responsible for small hats and aviation for the helmet shape. The article is particularly valuable for the variety of anecdotes of the accidental, personal origin of certain styles—and for the generalization: "French taste in costume differs sharply from American taste. Very few French garments are sold in American stores. . . . The general type of garment is determined by Paris . . . the individual costume is produced in America." The article says nothing at all of the many definite American contributions to women's styles, which have been well summed up in recent advertisements of Best & Company in New York newspapers.

Packaged Goods—A Boon Bestowed by Advertising

The *Woman's Home Companion* for March has the second of Earnest Elmo Calkins' articles on the emancipation of the housewife through modern advertising. It deals with packaged goods and shows their benefits to the purchasing agent of the home. The most impressive and interesting part of this essay is the description by Mr. Calkins (and the accompanying illustration by Victor C. Anderson) of an old-time grocery—*anno* 1878. To quote Hayden Carruth in "The Postscript" (a witty department on the last page of the *Companion*): "Observe young Master Calkins pilfering a prune. And Mr. Stone attempting to explain why he can give only fourteen pounds of brown sugar for a dollar. And the faithful cat acting as a paperweight." But Mr. Calkins does not limit himself to negative selling. The package . . . gave the grocer a unit of sale, named, known, weighed, measured, wrapped and priced. . . . Bulk goods were never of the quality of package goods. Even if they started with it, they lost it on the way from lack of protection.

The reviewer's copy of this month's *Woman's Home Companion* will be clipped, and this article will be pasted in Franker and Larrabee's or Norman Lewis's book on packages.

Learning Selling from Child-Training

Read in the March *American Maga-*

zine Will Durant's story of the way he has trained his daughter, "How a Great Scholar Brings Up His Child." This article is full of suggestions for everyone who is interested in the technique of sales-promotion—methods of changing habits and behavior, which is all there is to child training, isn't there?

Durant says: "First, don't *don't*. Don'ts are necessary, but every parent should be restricted to a limited number of them." Is not that the best short lecture you ever heard on negative selling?

The Consumption of Wealth

This is the title of a Macmillan book written by Dr. Elizabeth Ellis Hoyt, professor of economics in Iowa State College, and—though her approach is very different—her subject is just about what you and I might use as a label for our main subject in selling and advertising.

She seeks to answer four questions "What is the psychology by which our wants arise? What influences are acting on our choices all the time, unrecognized by us? How and to what extent can we control our wants for our welfare? And finally, just what goods and services do we consume in the United States and how do our choices compare with the choices made by other peoples?" And she adds that "the newest aspect of the following pages is the discussion of our limitations in acquiring new interests, and the discussion of the culture-idea as determining for a people what they consider worth consuming."

Besides knowing modern economic literature Dr. Hoyt is at home in both psychology and anthropology. She can use, to equally good advantage, statistics and a keen wit and humor—a rare and delightful combination. But this is not to say that the manner is better than the matter. There is valuable material for every sales psychologist in the chapter. "How an interest establishes itself:" novelty is a superficial interest; new interests need—more than novelty—some association, some relation, some resemblance to what is familiar. "The first automobiles looked very much like buggies. Stream-line effects would not have been popular. . . . The mind runs in tracks and its expansion is closely circumscribed by them."

Read also the chapters on "group life", "trade and culture"—with special reference to imports or "contribu-

tions from abroad to American consumption"; and especially Chapter X on "aggressive methods of sales-making"—with many wise comments like: "Man is not a bundle of unsatisfied interests; he had to learn his interests, and usually he learns hard; but if he has a teacher he learns more readily than he learns by himself." She sees social gains and terrible economic waste in modern advertising, and blames the latter on "the consumer's failure to apply the common sense he really has."

The whole fourth section of the book is entitled: "Consumption Deliberately Controlled by the Consumer"—and it has special chapters on "organized movements to better consumption" and "Government aid and intervention in consumption"—not so irritating as Chase and Schlink!

The fifth division, "The Consumption of Cultures, Nations and Groups," contains an excellent selection of budget statistics—but probably you will be even more interested in Dr. Hoyt's outline of the different answers of primitive Egyptian, East Indian, Greek, Chinese and modern Western cultures to the question "What is worth while to consume?" or her clever description of the different standards of living of different American regions. "The Far Westerner . . . big cars are the very breath of life to him. The love of luxury and the conviction that luxury has a divine mission spur him on to greater and greater income heights." Of her own Middle West she says that "its standard of living has a certain tentative character . . . the least institutionalized of all American standards of living . . . generally ready to be set right, if anybody knows how to do it."

A remarkably suggestive and many-sided book!

Princeton in Advertising

The February 22nd number of the *Princeton Alumni Weekly* has ten articles on advertising by as many alumni and a portrait of Roy S. Durstine, '08, on the cover, and one of Frank Presbrey, '79, inside. Scott Fitzgerald, '17, in "Ten Years in the Advertising Business," contrasts the old days when he was trying to earn a living writing advertising copy with today when he (apparently) gets just what he asks for being judge in a pretty girl contest. Among the other contributors are: A. C. M. Azoy, '14, on "Humor in Advertising" with examples from Rogers Peet; Hugo Sonnenschein, '24, on "We Moderns," a Saks-Fifth Avenue story; Wells Drorbaugh, '17, "The Importance of the fashion Magazine in Modern Distribu-

tion"; and Harvey H. Smith, '17, "The Royal Road to Advertising"—a witty narrative outline of agency operation.

Early Signs and Advertisements

"Ancient Advertising and Publicity," by Hugh W. Rivers (Kroch's, Chicago, 1929), is a handsome compilation of curious old advertisements, facsimiles of early newspapers, reproductions of old tavern signs, and excerpts from poems and essays of the 17th century that allude to advertising. Here (for the first time, probably) you will find in full just what Dr. Samuel Johnson wrote in the *Idler* in 1759 as context to the oft-quoted "The trade of advertising is now so near perfection that it is not easy to propose any improvement." He proceeds to ask "these masters of the public ear, whether they do not sometimes play too wantonly with our passions? as when the registrar of lottery tickets invites us to his shop by an account of the prizes he sold last year; and whether the advertising controversialists do not indulge asperity of language without any adequate provocation? . . . In an advertisement it is allowed to every man to speak well of himself, but I know not why he should assume the privilege of censuring his neighbor. Every man that advertises his own excellence should write with some consciousness of a character which dares to call the attention of the public."

And read the dentifrice advertisement of 1660 on page 44!

Woodcuts

The new "flat" magazines—most notably the *Forum* and, a little less striking, *The Golden Book*—should be watched by all who are eager to find new and bold technique for illustration. The March *Golden Book*, has two woodcuts by Harvey A. Van Valkenburgh illustrating Richard Harding Davis's "Gallegher," and one by Carroll Holliday for a story by Arnold Bennett; and Ernest Knaufft writes a brief criticism of "Woodcuts: The Revival of an Old Art," with twenty-five illustrations—one or two suffering from too great reduction, but the excellent selection conveying with surprising adequacy most of the virtues and varieties of this very interesting form of art, which lends itself especially to composition with modern bold typography. Mr. Knaufft says: "The modern woodcut . . . means that the artist has come closer to the ideal of book-making. His art is now more of a handicraft, more personal, more autographic. He makes the woodcut

Judge hotels by what you get

The Statlers invite your scrutiny and comparison of the values they offer:

EQUIPMENT: Every room has radio reception, its own private bath, circulating ice-water, bed-head reading lamp, and the other characteristic Statler conveniences—including a morning paper under the door.

SERVICE: Statler service is rendered by trained employees, working under the most liberal policies of "guest-pleasing" known.

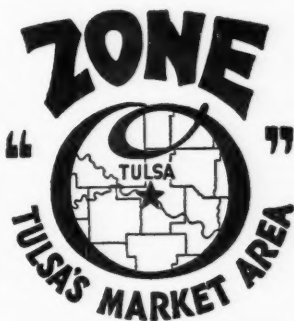
RATES: More than 82% of the Statler rooms are \$5 per day or less, for single occupancy. Fixed rates are posted in every Statler room.

The organization of
Statler

there are Statlers in
BOSTON -- BUFFALO -- CLEVELAND
DETROIT -- ST. LOUIS
NEW YORK (*Hotel Pennsylvania*)
HOTELS STATLER

Advertisers—

Send for this Book



That you may become better acquainted with The Tulsa Tribune and ZONE "O," Tulsa's Market Area—a book of facts has been authentically prepared by the Tribune's promotion department and is offered with the request that you read it carefully.

Many months of research and nearly three months of compilation and publication, at a considerable expense, were necessary in the production of this book. It is therefore but natural that we should

be concerned regarding its proper distribution and ask that you promptly fill in the attached coupon and send for your copy.

PLEASE USE THIS COUPON

Promotion Department (A-1)

Date

THE TULSA TRIBUNE
Tulsa, Oklahoma.

Please send me a copy of your book of facts entitled
ZONE "O," Tulsa's Market Area.

Name Title

Firm

Address

Every Thing You Desire in a Hotel

Every possible comfort, food famous for its excellence, a soul-refreshing sense of relaxation—these you will enjoy at THE DRAKE. But when you wish theatres, shops, the myriad day and night activities of this great city, a few minutes' interesting walk will take you to the heart of Chicago's busy Loop. A truly remarkable combination in a great city hotel. Rates as low as five dollars a day single room with bath, six dollars double. Special discounts for extended stays. Write for Illustrated Booklet, Edition 10.

THE DRAKE is under the
Blackstone management,
the world's standard in
hotel service



The DRAKE
HOTEL Chicago

The Y. W. C. A.

Camps

with attendance of more than

100,000 girls

offer you a huge

Market

for your products

Complete your sales campaign
and make record sales this year
through

The "Y" Service of the
advertising department

The Womans Press

the official national magazine of
The Young Women's Christian
Organization

For complete plan of Services to
fit your particular product write

Clara Janouch, Adv. Mgr.

The Womans Press

600 Lexington Avenue
New York

himself and he knows just how it will come out. . . . All this technical experimenting is sure to lead to intelligent new developments."

Business Articles in Women's Magazines

These pages have already called attention to Mr. E. E. Calkins' contributions to the *Woman's Home Companion* and the *Delineator* on the virtues of advertising. The *March Ladies' Home Journal* has an article by Julius Klein, "Two Women at the Counter," which has been featured in the publisher's promotion to advertising executives. Dr. Klein says that 41 per cent of passenger automobiles are now bought by women, and that the auto salesman is more and more likely to be "a bright keen-eyed miss." He thinks that "our car manufacturers, have gone into the kitchen for inspiration" on color. This very instructive article closes on this note: "The participation of women in efficient manufacturing has been relatively limited. Now, however, the paramount problem is building up a system of frugal and effective distribution. This new need has opened up a broad field of great promise for energetic and capable women whose instincts and imaginations, trained through generations of experience in buying, can render invaluable assistance."

—more sales from better salesmen!

SALES MANAGEMENT FUNDAMENTALS

By R. C. HAY

Sales consultant; former sales training and promotion mgr.,
Amer. Radiator Co.; sales mgr., May Oil Burner Co.

New practical light on the Sales Manager's vital problems is here offered out of the wealth of successful experience of this highly regarded sales executive and consultant. How to train salesmen, test their interviews so as to overcome familiar difficulties, enthuse and help them sell more goods, is here told by one who has done these things with conspicuous success.

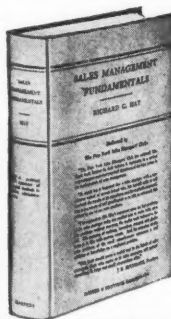
Of unusual value is the chapter on sales management problems of the small manufacturer, of which *Sales Management* says: "The most stimulating and valuable chapter in the book."

How helpful it can be to you is indicated by the following enthusiastic endorsements:

"A common sense, practical statement of the high points in the fundamentals."—J. R. Brundage, Pres., N. Y. Sales Managers' Club.

"The author handles his subject in a very capable manner."—*Advertising & Selling*.

HARPER BUSINESS BOOKS



FREE EXAMINATION

HARPER & BROTHERS,
49 East 33rd St., New York

Please send me a copy of *Sales Management Fundamentals*, \$3.50.

☐ I will send \$3.50 in 10 days
or return the book.

☐ Check is enclosed.

☐ Send C.O.D.

Name

Address

Business Connection

(Please fill in) SM3

An Outline of Mergers

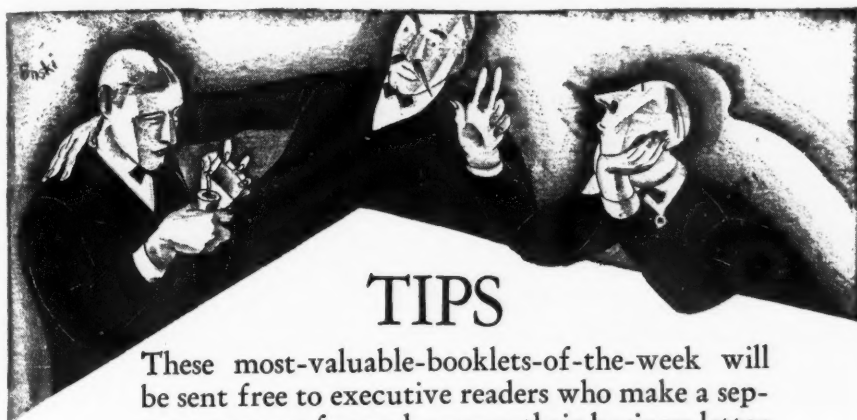
(Continued from page 581)

ness. In 1926 there were more food manufacturers earning more than \$1,000,000 net than any other type of production business. Altogether there were seventy-seven concerns in this class and practically every one of them was a specialist.

Analyze it any way you please and it will be found that the companies that are making money, whether they are large or small, are specializing. If they are not outright specialists they are at least giving specialty promotion to the main numbers in their general line. Merger managements that are not observing this fundamental principle of sound marketing practice are riding for a fall.

A Correction

It was reported in *SALES MANAGEMENT* of February 9 (page 336) that S. W. Rolph has been appointed vice-president and sales manager of the Willard Storage Battery Company. This was wrong, Mr. Rolph has become vice-president and assistant general manager.



TIPS

These most-valuable-booklets-of-the-week will be sent free to executive readers who make a separate request for each one on their business letter heads. Booklets will be mailed by the companies which publish them.

Address Sales Management, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

Planned Selling

Militant Business. A colored outline map with descriptive legend which reduces a sales attack to military terms, showing how the sales "army" should be organized to scale the mountains of sales resistance and meet competition's attack. Practically all sales problems—and possibilities—are shown on the map, and we have never seen a better or more complete outline for a sales "general" to keep on his desk.

Certified Selling. This is a "monthly magazine of performance" published by the A. C. Nielsen Company. It contains many suggestions and sales ideas which can be used in personal sales work, advertising, and direct mail. Ask for a specimen copy.

Sales Department Records

Paper in Relation to Forms. The fourth in a series called "Forms in Modern Business" which has proved very popular among our readers. This answers scores of questions about the making of paper—the manufacturing processes that produce sulphites, newsprint, rag stock; the requirements of paper; methods of testing; a complete classification and definition of all kinds of paper.

Direct Mail

Let's Cut the Price and Move the Goods. Any manufacturer wondering what effect a price reduction would have on his sales—or any man faced with a price reduction by his principal competitor—will get real help from this new Warren booklet. The only criticism we have of Warren booklets is that they issue too few of them.

Greco Bold Italic. Specimen sheets of a new italic type which possesses all the punch and character which so many are searching for these days.

Where Better Business Awaits You

Solving the Mysterious Disappearance of Half a Million People. This sounds like an S. S. Van Dine thriller, but instead is a study of Chicago families by the *Chicago Herald and Examiner* which urges the use of "buying units" rather than "families" as a basis for studying newspaper coverage of markets, on the ground that in large cities with a big population living in hotels the "family" figures are something like 43 per cent in error.

Zone O. Here are the facts and figures of the rich Tulsa market as compiled and printed by the *Tribune*. Any sales manager with salesmen working Oklahoma can get information from this survey which will show concretely how and where to get more business. Readers also will be interested in the outline of the cooperation which the *Tribune* renders to advertisers and their salesmen.

The Northwest—Your Opportunity. This is another helpful survey—which covers the most important trading areas of Northern Wisconsin, Minnesota, North Dakota and South Dakota (excepting Minneapolis and St. Paul). Detailed marketing facts are given about thirty-two leading cities and trade areas.

Arpeako Names Harrison

Edward P. Harrison, editor of publications for the Todd Company, Rochester, for the past two years, has been appointed advertising manager of the Rochester Packing Company, Inc., Arpeako meat products, to succeed Edward A. Curtis, now director of publicity for the Rochester division of Publix theatres.

Is Your Business Suffering From

OVER- PRODUCTION

or

UNDER- CONSUMPTION

?



HAVE you been led, by the success of some concerns now using "mass" methods, to look to "volume" as a panacea for business ills?

Have you geared up production, pared production costs, only to find sales and profits lagging behind?

Have you found, like many other manufacturers, that speeding up production piled up surplus stocks—breeders of price cutting?

If you answer "Yes" to these questions, some may say your trouble is "Overproduction." But it may be "Underconsumption."

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